

GEOGLOBAL RESOURCES INC.

Form 10-K

March 28, 2012



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011;

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File No.: 1-32158

GEOGLOBAL RESOURCES INC.

(Exact name of registrant as specified in its charter)

Delaware

33-0464753

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

Suite 200, 625 – 4 Avenue SW, Calgary, Alberta, Canada

T2P

0K2

(Address of principal executive

offices)

(Zip Code)

Registrant's telephone number, including area code: +1 (403) 777-9250

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Name of each exchange on which registered

Common Stock, par value \$.001 per share

NYSE Amex

Securities registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes

No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act

Yes

No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was

required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act).

|                         |                          |                           |                          |
|-------------------------|--------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of June 30, 2011, the last business day of the registrant's most recently completed second fiscal quarter was \$23,947,413.

The number of shares outstanding of the registrant's common stock as of March 27, 2012 was 101,749,572.

DOCUMENTS INCORPORATED BY REFERENCE  
None

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Available Information

The Company maintains a website at [www.geoglobal.com](http://www.geoglobal.com), on which we make available, free of charge, all of the Company's filings with the Security and Exchange Commission ("SEC" or "Commission"); including Forms 3, 4 and 5 filed with respect to our equity securities under Section 16(a) of the Securities Act of 1934. These filings are available as soon as reasonably practicable after we electronically file such material with, or furnish it to the SEC.

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PART I

Item 1. Business

Glossary of Certain Defined Terms:

All dollar amounts are stated in United States dollars

All meterage of drilled wells are measured depths unless otherwise stated

MBbls - thousand barrels

MMcf - million cubic feet

BOE - barrels of oil equivalent

GSPC - means Gujarat State Petroleum Corporation Limited of India

OIL - means Oil India Limited of India

ONGC - means Oil & Natural Gas Corporation Limited of India

PSC - means Production Sharing Contract

NELP - means New Exploration Licensing Policy

NIS - means New Israeli Shekels

Our Oil and Gas Activities

The Company is engaged, through our subsidiaries, in the exploration for and development of oil and natural gas reserves. At December 31, 2011, we have not yet achieved our planned principal operations from our oil and gas exploration activities which commenced on August 29, 2003. Accordingly, our activities are considered to be those of a "Development Stage Enterprise". The recoverability of the costs we have incurred to date is uncertain and dependent upon achieving significant commercial production and sale of hydrocarbons or sale of exploration assets, our ability to obtain sufficient financing to fulfill our obligations under the production sharing or other contracts we are a party to with respect to oil and natural gas exploration and development activities in India, Israel and Colombia and upon future profitable operations. At present, our activities are being undertaken in four geological basins located offshore and onshore in India, one geological basin located offshore in Israel and one geological basin located onshore in Colombia where reserves of oil or natural gas are believed by our management to exist.

The exploration rights pursuant to PSCs we have entered into with the Government of India with respect to ten exploration blocks is as follows:

- KG-OSN-2001/3 (KG Offshore Block) - This was our first agreement entered into in February 2003 under NELP-III, which grants exploration rights in an area offshore in south eastern India in the Krishna Godavari Basin in the State of Andhra Pradesh. GSPC is the Operator of this block and holds an 80% participating interest. We have a 10% participating interest (net 5% carried interest) under this agreement and Jubilant Offshore Drilling Pvt. Ltd. holds a 10% participating interest.
- CB-ONN-2002/2 (Mehsana Block) - We entered into this agreement in February 2004 under NELP-IV, which grants exploration rights in an area onshore in the Cambay Basin in the State of Gujarat in western India. Jubilant Offshore Drilling Pvt. Ltd. is the Operator of this block and we have a 10% participating interest under this agreement.
- CB-ONN-2002/3 (Sanand/Miroli Block) - We entered into this agreement in February 2004 under NELP-IV, which grants exploration rights in an area onshore in the Cambay Basin in the State of Gujarat in western India. GSPC is the Operator of this block and we have a 10% participating interest under this agreement.
- CB-ON/2 (Tarapur Block) - Pursuant to an agreement entered into in April 2005, we purchased from GSPC a 20% participating interest in an agreement granting exploration rights granted under the pre-NELP rounds to an onshore

exploration block in the Cambay Basin in the State of Gujarat in western India. ONGC has the right to participate in the development of any commercial discovery on the Tarapur Block by acquiring a 30% participating interest as provided under the PSC. GSPC is the Operator of this block.

- CB-ONN-2003/2 (Ankleshwar Block) - We entered into this agreement in September 2005 under NELP-V, which grants exploration rights in an area onshore in the Cambay Basin in the State of Gujarat in western India. GSPC is the Operator of this block and we have a 10% participating interest under this agreement.
- DS-ONN-2003/1 (DS 03 Block) - We entered into this agreement in September 2005 under NELP-V, which grants exploration rights in an area onshore in the Deccan Syncline Basin located in the northern portion of the State of Maharashtra in west central India. We are the Operator of this block and have a 100% participating interest under this agreement.
- KG-ONN-2004/1 (KG Onshore Block) - We entered into this agreement in March 2007 under NELP-VI, which grants exploration rights in an area onshore in the Krishna Godavari Basin in the State of Andhra Pradesh adjacent to our KG Offshore Block in south eastern India. OIL is the Operator of this block and we currently have a 10% participating interest under this agreement with an option to increase our participating interest to 25%.
- RJ-ONN-2004/2 (RJ Block 20) - We entered into this agreement in March 2007 under NELP-VI, which grants exploration rights in an area onshore in north-west India in the Bikaner-Nagaur Basin in the State of Rajasthan. OIL is the Operator of this block and we have a 25% participating interest under this agreement.

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- RJ-ONN-2004/3 (RJ Block 21) - We entered into this agreement in March 2007 under NELP-VI, which grants exploration rights in an area onshore in north-west India in the Bikaner-Nagaur Basin in the State of Rajasthan. OIL is the Operator of this block and we have a 25% participating interest under this agreement.
- DS-ONN-2004/1 (DS 04 Block) - We entered into this agreement in March 2007 under NELP-VI, which grants exploration rights in an area onshore in the Deccan Syncline Basin located in the northern portion of the State of Maharashtra in west central India. We are the Operator of this block and have a 100% participating interest under this agreement.

The exploration rights pursuant to licenses we have been granted in Israel with respect to three exploration licenses are as follows:

- 348/Sara License – We entered into a Joint Operating Agreement on October 6, 2010 which grants exploration rights in an area of the Levantine Basin located approximately 35 miles off the coast of Israel in approximately 1,350 meters of water depth. We are the Operator of this license and currently have a 5% participating interest under this agreement.
- 347/Myra License – We entered into a Joint Operating Agreement on October 6, 2010 which grants exploration rights in an area of the Levantine Basin located approximately 52 miles off the coast of Israel in approximately 1,450 meters of water depth. We are the Operator of this license and currently have a 5% participating interest under this agreement.
- 388/Samuel License – We were awarded an interest in June 2010 from the Israel Petroleum Commissioner which grants exploration rights in an area of the Levantine Basin located in shallow water of 140 meters or less off the coast of Israel. Adira Geo Global is the Operator of the license and we currently hold a 42% effective participating interest in this license.

The exploration rights pursuant to licenses we have been granted in Colombia with respect to two exploration licenses is as follows:

- Putumayo 6 License - We have entered into a Memorandum of Understanding (MOU) which grants us a 10% carried interest in exploration rights in the Putumayo Basin onshore in southwest Colombia.
- Putumayo 7 License - We have entered into a Memorandum of Understanding (MOU) which grants us a 10% carried interest in exploration rights in the Putumayo Basin onshore in southwest Colombia.

All of the exploration activities in which we are a participant should be considered highly speculative.

Unless the context should otherwise require, references to “we,” “us” and “our” in this Annual Report on Form 10-K refer to GeoGlobal Resources Inc. and our wholly-owned consolidated subsidiaries. GeoGlobal Resources (Barbados) Inc. is our wholly-owned subsidiary incorporated under the Companies Act of Barbados that is the contracting party under our four PSCs covering four blocks in the Cambay Basin, our two PSCs covering two blocks in the Deccan Syncline Basin, our two PSCs covering two blocks in the Bikaner-Nagaur Basin and our PSC covering the KG Onshore Block in the Krishna Godavari Basin, all of which are located in India. GeoGlobal Resources (India) Inc. is our wholly-owned subsidiary continued under the Companies Act of Barbados that is the contracting party under our PSC covering our one KG Offshore Block in the Krishna Godavari Basin and the Sara, Myra and Samuel licenses in the Levantine Basin in Israel.



Our Production Sharing Contracts in India  
Our Krishna Godavari Basin Agreements  
KG Offshore Block PSC  
Completion of Minimum Work Program

We, together with our joint venture partners GSPC and Jubilant Offshore Drilling Pvt. Ltd., are parties to a PSC dated February 4, 2003 which grants to the three parties the right to conduct exploratory drilling activities in the offshore waters of the Krishna Godavari Basin. The PSC now covers a discovery area of approximately 513.5 square kilometers (126,889 acres) out of the original 1,850 awarded under the third NELP round. We have a net 5% carried interest in this exploration block. Under the original terms, this PSC was for a term of up to 6.5 years commencing March 12, 2003 with three exploration phases and a prescribed minimum work program. In June 2007, the Government of India issued two new policy guidelines which, among other things, permitted the substitution of additional meterage drilled in deeper wells against the total meterage of the wells committed as part of the minimum work program. GSPC, on behalf of the contracting parties, exercised these rights. By September 30, 2008, the consortium completed the minimum work program for all Phases on this block under the terms of the PSC as entered into.

Declaration of Commerciality

The PSC sets forth procedures whereby the operator can obtain the review of the Management Committee under the PSC as to whether a discovery on the exploration block should be declared a Commercial Discovery under the PSC. GSPC, as operator on behalf of the consortium submitted to the Management Committee approval, the proposal for a Declaration of Commerciality on the KG#8 and KG#15 discoveries (referred to as the Deen Dayal West Structure) under the terms of the PSC. For all other discoveries in this block, the Management Committee has advised to complete the appraisal activities and submit the Declaration of Commerciality by March 6, 2013.

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### Field Development Plan Approval

With the completion of a review by the Management Committee of a proposal for Declaration of Commerciality of the Deen Dayal West Structure, on June 18, 2009, GSPC submitted the Deen Dayal West field development plan in accordance with the provisions of the PSC to the Management Committee for approval. On November 11, 2009, the Field Development Plan was approved as follows:

- Includes fifteen wells; four existing wells (KG#8, KG#15, KG#17 and KG#28) and eleven new development wells including three slant wells and eight multilateral wells to be drilled.
  - Production facilities to include:
    - o Two offshore platforms (one well head and one central processing);
    - o 20 kilometer long pipeline of 24 inch diameter up to landfall point; and
- o One onshore gas terminal to include a gas sweetening unit, gas dehydration unit, dew point depression unit, condensate stabilization unit, sulphur recovery unit and a captive power unit.
- Delivery point for gas will be the outlet flange of a delivery facility located at the onshore terminal at Mallavaram Village, near Yanam, Kakinada in Andhra Pradesh.
- First gas production to commence December 2011 (subsequent to approval, amended to April 2013 or later).
- The Operator will apply for a 17 square kilometer mineral lease to cover this area.

GSPC estimated in the Field Development Plan that on a preliminary basis the gross costs for the production facilities will be approximately US\$941 million and US\$860 million for future development drilling costs. Subsequently, the estimated Field Development costs for the production facilities has been increased to approximately \$1.2 billion.

The Government of India has approved an extension of the KG-08 and KG-15 discoveries toward the southern portion of the block and as a result, an additional 20.5 square kilometers has been granted for development.

### Carried Interest Agreement

On August 27, 2002 we entered into a Carried Interest Agreement with GSPC granting us a 10% carried interest in the KG Offshore Block. The Carried Interest Agreement provides that GSPC is responsible for our entire share of any and all costs incurred during the Exploration Phase prior to the date of initial commercial production.

Under the terms of the Carried Interest Agreement, all of our proportionate share of capital costs for exploration and development activities, including the share of Roy Group (Mauritius) Inc., a related party (see “Item 1 – Business – Our Production Sharing Contracts in India – Our Krishna Godavari Basin Agreements – KG Offshore Block PSC - Participating Interest Agreement”), will be recovered by GSPC without interest over the projected production life or ten years, whichever is less, from oil and natural gas produced on the exploration block. We are not entitled to any share of production until GSPC has recovered our share of the costs and expenses that were paid by GSPC on behalf of us and Roy Group (Mauritius) Inc.

Our net 5% carried interest in the KG Offshore Block reflects our agreement to prospectively assign half of the original 10% interest under the PSC to Roy Group (Mauritius) Inc. pursuant to a Participating Interest Agreement we entered into on March 27, 2003, which assignment is subject to Government of India consent which has not yet been approved. Absent such consent, the assignment will not occur and we are to provide Roy Group (Mauritius) Inc. with an economic benefit equivalent to the interest to be assigned. At March 27, 2012, we have not obtained the consent of the Government of India to this assignment.

### Carried Interest Agreement Dispute

#### GSPC Dispute

The Operator of the KG Offshore Block in which the Company has a net 5% carried interest, has been seeking from the Company, payment of its pro rata portion of the amount by which the sums expended by GSPC under all phases for the minimum work program as set forth in the PSC for the KG Offshore Block in carrying out exploration

activities on the block exceeds the amount that GSPC deems to be the Company's pro rata portion of a financial commitment under all phases included in the parties' joint bid for the award of the KG Offshore Block by the Government of India.

GSPC contends that this excess amount is not within the terms of the Carried Interest Agreement and asserts that the Company is required to pay 10% of the exploration expenses over and above gross costs of \$109.7 million (10% being \$10.97 million) (including the net 5% interest of Roy Group (Mauritius) Inc.) plus interest.

GSPC advised the Company on November 5, 2008 that the minimum work program for the KG Offshore Block had been completed in September 2008. Further, GSPC elected to undertake an additional work program over and above the minimum work program as either Joint Operations or as Exclusive Operations under the terms of the PSC and advised that the Company must elect whether to participate in these additional exploration activities as a Joint Operation or alternatively, GSPC would conduct these drilling activities as Exclusive Operations, as defined in the PSC.

On November 13, 2008 the Company advised GSPC that it exercised its right to participate in the drilling operations proposed in the November 5, 2008 GSPC letter as a Joint Operation under the terms of the PSC and Joint Operating Agreement and pursuant to the terms of our Carried Interest Agreement with GSPC. As such, the Company continues to be of the view that it is carried for 100% of its entire share of any and all costs during the additional exploration phase prior to the start of initial commercial production and that the Carried Interest Agreement extends through the exploration period of the PSC.

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In August 2010 GSPC advised the Company that it is of the view that the technical and other advice provided by the Company in the preparation of the parties' original bid document submitted to the Government of India in 2002 under NELP-III has proven to be incorrect causing GSPC's costs in the project to exceed its estimate. GSPC asserts that by reason of the foregoing the Carried Interest Agreement between the parties is void and consequently the PSC to which the Government of India is party and the Joint Operating Agreement are also void.

The Company has advised GSPC that under the terms of the Carried Interest Agreement (the terms of which are also incorporated into the PSC and the Joint Operating Agreement) they have no right to such payment under the Carried Interest Agreement. The Company has advised GSPC that the Company fulfilled its obligations under the Carried Interest Agreement to provide extensive technical assistance without any further remuneration other than the carried interest, all in accordance with the terms of the Carried Interest Agreement. The Company obtained the opinion of Indian legal counsel who has advised that under the terms of the agreements between the parties, and in particular the Carried Interest Agreement, the Company is not liable to pay any amount to GSPC for costs or expenses incurred or otherwise before reaching the stage of commercial production.

The Company disputes these positions of GSPC and the conclusions reached by GSPC and continues to state that the Company holds a gross 10% interest in the KG Offshore Block (including the 5% interest of Roy Group (Mauritius) Inc.). In a KG Offshore Block Management Committee meeting held in October, 2010, the Management Committee (of which the Government of India is a member) advised GSPC to resolve these issues with the Company at the earliest and requested GSPC to maintain the status quo until the issues are resolved.

Based upon the audited accounts of the joint venture for the KG Offshore Block, the total costs incurred to March 31, 2010 were \$1.447 billion (10% being \$144.7 million of which 50% is for the account of Roy Group (Mauritius) Inc.). Further, based upon the budget for the fiscal year April 1, 2010 to March 31, 2011 and fiscal year April 1, 2011 to March 31, 2012, total costs projected for the period April 1, 2010 to December 31, 2011 were \$1.183 billion (10% being \$118.33 million). Therefore, management estimates that the amount of GSPC's claim as of December 31, 2011 to be approximately \$263.03 million plus interest, if any, of which 50% is for the account of Roy Group (Mauritius) Inc. The Company disputes this assertion of GSPC. The Company believes that the likelihood of an unfavourable outcome of this dispute is remote and accordingly, as at December 31, 2011, no amount has been accrued in the consolidated financial statements. However, the fact of the dispute has been disclosed.

The Company intends to vigorously protect its contractual rights in accordance with the dispute resolution process under the Carried Interest Agreement, the PSC and the Joint Operating Agreement as may be appropriate. In September 2007, the Company commenced discussions with GSPC in an effort to reach an amicable resolution. A number of draft settlement proposals have been put forward by the Company to GSPC seeking to settle this dispute amicably. Subsequent to the October 2010 Management Committee meeting the Company's management has again met with senior management of GSPC to continue its effort to reach an amicable resolution. However, no settlement agreement has been reached as of March 27, 2012 and there can be no assurance that this matter will be settled amicably.

### Participating Interest Agreement

On March 27, 2003 prior to our acquisition of all of its outstanding capital stock, GeoGlobal Resources (India) Inc. entered into a Participating Interest Agreement with Roy Group (Mauritius) Inc. Pursuant to this agreement, GeoGlobal Resources (India) Inc. assigned and currently holds in trust for Roy Group (Mauritius) Inc. 50% of the benefits and obligations of the PSC covering the KG Offshore Block and the Carried Interest Agreement. GeoGlobal Resources (India) Inc. effectively retains a net 5% participating interest in the KG Offshore Block and a net 5% carried interest in the Carried Interest Agreement. Under the terms of the Participating Interest Agreement, until the Government of India consents to the assignment to Roy Group (Mauritius) Inc., we retain the exclusive right to deal with the other parties to the KG Offshore Block and the Carried Interest Agreement and are entitled to make all

decisions regarding the interest assigned to Roy Group (Mauritius) Inc. Roy Group (Mauritius) Inc. has agreed to be bound by and be responsible for the actions taken by, obligations undertaken and costs incurred by us in regard to Roy Group (Mauritius) Inc.'s interest and to be liable to us for its share of all costs, interests, liabilities and obligations arising out of or relating to the Roy Group (Mauritius) Inc. interest. Roy Group (Mauritius) Inc. has agreed to indemnify us against any and all costs, expenses, losses, damages or liabilities incurred by reason of Roy Group (Mauritius) Inc.'s failure to pay the same. Subject to obtaining Government of India consent to the assignment, Roy Group (Mauritius) Inc. is entitled to all income, receipts, credits, reimbursements, monies receivable, rebates and other benefits in respect of its 5% interest which relate to the KG Offshore Block. We have a right of set-off against sums owing to us by Roy Group (Mauritius) Inc. In the event that the Government of India consent is delayed or denied, resulting in either Roy Group (Mauritius) Inc. or us being denied an economic benefit either would have realized under the Participating Interest Agreement, the parties agreed to amend the agreement or take other reasonable steps to assure that an equitable result is achieved consistent with the parties' intentions contained in the Participating Interest Agreement. As a consequence of this transaction we report our holdings under the KG Offshore Block and the Carried Interest Agreement as a net 5% participating interest. Inasmuch as the assignment of the 5% interest to Roy Group (Mauritius) Inc. occurred prior to our acquisition of GeoGlobal Resources (India) Inc. and we were not a party to that assignment, we received no consideration for the assignment.

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### KG Onshore Block PSC

We, together with our joint venture partner OIL, are parties to a PSC dated March 2, 2007 awarded under NELP-VI. The PSC covers an area of approximately 549 square kilometers (135,661 acres) onshore in the Krishna Godavari Basin and is located directly adjacent to and south-west of our KG Offshore Block. The two exploration phases for this PSC are for a term of up to 7.0 years commencing February 18, 2008. The Phase I covers a period of 4.0 years of which the minimum work program consists of reprocessing 564 line kilometers of 2D seismic data, conducting a gravity and magnetic and geochemical survey, as well as a seismic acquisition program consisting of 548 square kilometers of 3D seismic data. This Phase I minimum work program further consists of drilling twelve exploration wells to various depths between 2,000 and 5,000 meters. If the parties elect to enter Phase II which covers a period of 3.0 years, a minimum work program applies to drill one exploration well to a depth of 4,600 meters.

The consortium applied for the first six-month extension for Phase-1 which was approved by the Government. This six-month extension period will be set-off against the time available for completion of the Phase II work program. As a result, Phase I now expires on August 18, 2012. Additionally, the consortium applied for an extension of 2 years and 118 days to Phase 1 based on excusable delay for grant of various statutory permissions and clearances by the government. This application is under active consideration by the Government of India. This additional extension based on excusable delay will not be set-off against the time available for completion of Phase II work program.

We currently hold a 10% participating interest in this exploration block, while OIL holds the remaining 90% participating interest. On June 29, 2010 we agreed with OIL to increase our participating interest on the KG Onshore Block to 20%, such increase being subject to Government of India approval. Upon such approval we will hold a 20% participating interest in the KG Onshore Block and will become responsible to pay our 20% share of the costs of exploration activities on the block.

### Our Cambay Basin Agreements

#### Tarapur Block Agreement

Pursuant to an agreement entered into with GSPC in April, 2005 we purchased a 20% participating interest in the onshore Tarapur Block in the Cambay Basin. GSPC owns the remaining 80% participating interest.

ONGC has the right under the PSC to participate in the development of any commercial discovery on the Tarapur Block by acquiring a 30% participating interest exercisable under the PSC which expired on November 22, 2007. ONGC exercised this right with respect to a western portion of the Block referred to as the Tarapur 1 Discovery Area. The effect of the ONGC exercise is a reduction in the participating interests of GSPC and us in the Tarapur 1 Discovery Area to 56% and 14% respectively. As to the remaining areas of the Tarapur Block, the partners have agreed to provide ONGC with a 10% participating interest subject to Government of India approval and we expect that ONGC will be granted a right to a 10% participation in all future wells drilled on the remaining areas of the Tarapur Block during extensions of the exploration period of the PSC. If approved, this would result in the reduction of the participating interests of GSPC and us on these remaining areas to 62% and 18% respectively.

After our relinquishment of 25% (approximately 407 square kilometers) of the exploration block to the Government of India after Phase I, the block covered approximately 1,213 square kilometers. At the expiration of the Exploration Phase III of the PSC on November 22, 2007, GSPC submitted an application under the New Extension Policy to the Government of India for an extension of the PSC for an additional twelve months to November 22, 2008 which was granted. The Operator submitted a further application under the New Extension Policy on February 19, 2009 for an additional extension of the exploration phase for eighteen months to May 22, 2010. On November 11, 2010, the Operator re-submitted the application for this additional eighteen month extension of the exploratory phase. This additional extension was submitted to enable a further exploration program of drilling five exploratory wells and the acquisition of 330 square kilometers of 3D seismic in a section of the block to the east of the Tarapur 1 Discovery Area which we refer to as Tarapur East. Approval from the Government of India for this additional eighteen month

extension is pending. The exploration period under these two new extensions beyond November 22, 2007 will be governed by a new Ring Fenced PSC and exploration areas under this Ring Fenced PSC will not include discovery areas prior to end of exploration Phase III, i.e. Tarapur-1, Tarapur-G and Tarapur-6 discovery areas (9.7 square kilometre mining lease area). One of the major conditions of this Ring Fenced PSC is that any exploration expenses incurred after Nov 22, 2007, i.e. during the extended exploration phase, will be allowed for cost recovery only from new discoveries made under the extended exploration phases. Another important condition is that ONGC will not be the licensee and will have no participating interest in the block beyond November 22, 2007.

During 2011, the Management Committee approved the Declaration of Commerciality for the Tarapur-G gas discovery. Accordingly, a Field Development Plan for this gas discovery has been filed and is under active consideration by the Government of India. The Operating Committee has also approved an Appraisal Plan and Declaration of Commerciality for the Tarapur-6 discovery and the same is under active consideration by the Government of India. Both discoveries are within the 9.7 square kilometer Tarapur-1 Mining Lease area.

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### Sanand/Miroli Block PSC

On February 6, 2004, we, together with our joint venture partners GSPC, Jubilant Offshore Drilling Pvt. Ltd. and Prize Petroleum Company Limited signed a PSC with respect to the onshore Sanand/Miroli Block. We hold a 10% participating interest; GSPC holds a 55% participating interest; Jubilant Offshore Drilling Pvt. Ltd. holds a 20% participating interest; and the remaining 15% is held by Prize Petroleum Company Limited. The PSC provides that the exploration activities are to be conducted in three phases commencing July 29, 2004 with the first phase covering a period of 2.5 years, the second phase covering 2.0 years and the last phase covering 1.5 years, for a maximum duration of 6.0 years. All three phases were completed as of July 27, 2010 and as such, pursuant to the terms of the PSC, the contractor shall retain only Development and Discovery areas and must relinquish the remainder to the Government of India. It has been agreed that we, together with our joint venture partners, shall retain the discovery areas of approximately 39.8 square kilometers (9,835 acres) in the form of three geometrical shapes; two in Sanand and one in Miroli, subject to Government of India approval.

During 2011, the Management Committee approved a Declaration of Commerciality for the M1 and M6 discoveries. The Declaration of Commerciality for the SE-8, SE-10 and SE-2,3,4,5 cluster has also been filed and is under active consideration by the Government of India.

### Ankleshwar Block PSC

On September 23, 2005, we, together with our joint venture participants GSPC, Jubilant Offshore Drilling Pvt. Ltd. and GAIL (India) Ltd. signed a PSC with respect to the onshore Ankleshwar Block. We hold a 10% participating interest; GSPC holds a 50% participating interest; Jubilant Offshore Drilling Pvt. Ltd. holds a 20% participating interest; and the remaining 20% is held by GAIL (India) Ltd. The PSC provides that the exploration activities are to be conducted in three phases commencing April 1, 2006 with the first phase covering 3.0 years, the second phase covering 3.0 years and the last phase covering 1.0 year, for a maximum duration of 7.0 years.

During the first exploration phase on the exploration block, the parties were to acquire, process and interpret 448 square kilometers of 3D seismic data, reprocess 650 line kilometers of 2D seismic data and drill fourteen exploratory wells between 1,500 to 2,500 meters. All commitments under the Phase I minimum work program have been met and the parties have elected not to proceed to the second phase but rather to appraise and develop the existing discoveries.

After relinquishment of the exploration block to the Government of India as required by the terms of the PSC, the block now includes approximately 172 square kilometers (42,502 acres) for future appraisal and development activities, subject to Government of India approval.

During 2011, the Management Committee approved a Declaration of Commerciality for the ANK-21 oil discovery. A Declaration of Commerciality for the ANK-40S oil discovery has been approved by the Operating Committee and submitted for Management Committee approval.

### Mehsana Block PSC

On February 6, 2004, we, together with our joint venture partners GSPC and Jubilant Offshore Drilling Pvt. Ltd. signed a PSC with respect to the onshore Mehsana Block. The Phase I exploration and appraisal period are completed and the minimum work commitments have been met on this block. As there is no commercial discovery on this block, the Operating Committee on September 19, 2011 elected to relinquish 100% of the block area back to the Government of India.

### Our Deccan Syneclise Basin Agreements

### DS 03 Block PSC



On September 23, 2005 we signed a PSC with respect to the onshore DS 03 Block. We hold a 100% participating interest in this block and are the Operator. The PSC provides that exploration activities are to be conducted in three phases commencing September 4, 2006 with the first phase covering 3.0 years, the second phase covering 2.0 years and the third phase covering 2.0 years, for a maximum duration of 7.0 years.

During 2010, we elected to proceed to Phase II, whereupon we relinquished 25% (approximately 789 square kilometers) of the exploration block to the Government of India as required by the terms of the PSC, leaving approximately 2,366 square kilometers (584,651 acres). However, under terms of the PSC, without completing commitments under Phase I, we could not proceed into Phase II.

The minimum work program under Phase I called for a gravity magnetic and geochemical survey, which has been completed. In addition we are to acquire an aero magnetic survey of 12,000 line kilometers. In August 2011, we applied for a sixteen month extension to Phase-I under excusable delay in obtaining requisite clearances and approvals for the aero-magnetic survey of 12,000 line kilometers. The same is under active consideration by the Government of India.

If we elect to proceed to Phase II, we are to acquire 500 line kilometers of 2D seismic data and drill one exploration well. Further, if we elect to proceed to the Phase III, we are to acquire 250 square kilometers of 3D seismic data and drill two exploratory wells.

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### DS 04 Block PSC

On March 2, 2007 we signed a PSC with respect to the onshore DS 04 Block. The PSC covers an area of approximately 2,649 square kilometers (654,582 acres). We hold a 100% participating interest in this block and are the Operator. The PSC provides that exploration activities are to be conducted in two phases commencing June 7, 2007 with the first phase covering 5.0 years and the second phase covering 3.0 years, for a maximum duration of 8.0 years.

The Phase I mandatory and minimum work program consists of conducting a gravity and magnetic and geochemical survey, as well as a seismic acquisition program consisting of 535 line kilometers of 2D seismic data. We are further committed to drill ten core holes to a depth of approximately 500 meters. If we elect to proceed to Phase II, the minimum work program consists of a seismic acquisition program consisting of 500 line kilometers of 2D seismic data and 200 square kilometers of 3D seismic data and the drilling of one exploratory well to a depth of 2,000 meters.

### Our Bikaner-Nagaur Basin Agreements

#### RJ Block 20 PSC

On March 2, 2007 we, together with our joint venture partner OIL signed a PSC with respect to the onshore RJ Block 20. The PSC covers an area of approximately 2,196 square kilometers (542,643 acres). We hold a 25% participating interest in this block with OIL holding the remaining 75%. The PSC provides that exploration activities are to be conducted in two phases commencing January 21, 2008 with the first phase covering 4.0 years and the second phase covering 3.0 years, for a maximum duration of 7.0 years.

The Phase I mandatory and minimum work program is to reprocess 463 line kilometers of 2D seismic data; conduct a gravity, magnetic and geochemical survey; acquire, process and interpret 820 line kilometers of 2D seismic data; acquire 700 square kilometers of 3D seismic data; and drill a total of twelve exploratory wells between 2,000 and 2,500 meters. The Phase II minimum work program, if we elect to continue into Phase II, is to drill one well to 2,500 meters. The consortium applied for the first six-month extension which has been granted by the Government of India.

#### RJ Block 21 PSC

On March 2, 2007 we, together with our joint venture partners OIL and Hindustan Petroleum Corporation Limited signed a PSC with respect to the onshore RJ Block 21. The PSC covers an area of approximately 1,330 square kilometers (328,650 acres). We hold a 25% participating interest in this block; OIL holds a 60% participating interest and; Hindustan Petroleum Corporation Limited holds the remaining 15%. The PSC provides that exploration activities are to be conducted in two phases commencing January 21, 2008 with the first phase covering 4.0 years and the second phase covering 3.0 years, for a maximum duration of 7.0 years.

The Phase I mandatory and minimum work program is to reprocess 463 line kilometers of 2D seismic data; conduct a gravity, magnetic and geochemical survey; acquire, process and interpret 660 line kilometers of 2D seismic data and 611 square kilometers of 3D seismic data; and drill a total of eight exploratory wells between 2,000 and 2,500 meters. The Phase II minimum work program, if we elect to continue into Phase II, is to drill one well to 2,000 meters.

The Operator, along with Hindustan Petroleum Corporation Limited have proposed to relinquish the block without applying for the first six-month extension and has communicated the same to the Government of India. We disagree with this relinquishment and have written to the Government of India to grant us the first six-month extension to allow us to complete our share of the minimum work program commitment. OIL has paid the petroleum exploration license fees up to January 20, 2013 which would enable us to continue the exploration program. However, we are awaiting Government of India approval and direction in order to proceed with the exploratory program.

### Certain Terms of Our PSCs

#### General

Except for the size and location of the exploration blocks and the work programs to be conducted, the PSCs contain substantially similar terms. Under the PSCs, the Government of India has granted to the parties the right to engage in oil and natural gas exploration activities on the exploration blocks for specified terms of years with each contract setting forth the exploration activities to be conducted over periods of years in two or three phases.

The contracts contain restrictions on the assignment of a participating interest without the consent of the Government of India, including on a change in control of a party, subject to certain exceptions which include, among others, a party encumbering its interest subject to certain limitations.

Each of the joint ventures is managed by a Management Committee representing the parties to the agreement, including the Government of India. The contracts contain various other provisions, including, among other things, obligations of the parties to maintain insurance, maintain the books and records, confidentiality, the protection of the environment, arbitration of disputes, matters relating to income taxes, royalty payments, and the valuation of hydrocarbons produced. The Indian domestic market has the first call on natural gas produced. These contracts are interpreted under the laws of India.

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### Relinquishment on our Blocks Prior to NELP-VI Blocks

Under each of these contracts, if the parties elect to continue into the second exploratory phase, the parties retain up to 75% of the original contract area, including any developed areas and areas of discoveries of hydrocarbons, and must relinquish the remainder. Similarly, if the parties elect to continue into the third exploration phase, the contracts provide that the parties retain up to 50% of the original contract area, including any developed areas and areas of discovery of hydrocarbons, and must relinquish the remainder. At the end of the final exploration phase, only developed areas and areas of discoveries are to be retained.

### Relinquishment on our NELP-VI Blocks

Under each of these contracts, if the parties elect to continue into the second exploratory phase, the contracts provide that the parties have the option to relinquish a part of area in simple geometrical shape not less than 25% of the original contract area. At the end of the second exploration phase, the parties retain the balance which includes any developed areas and areas of discoveries.

### Procedure for Allocation of Costs After a Discovery

The PSCs contain procedures to be followed once a discovery of hydrocarbons is determined to have been made within the exploration block and for the further development of that discovery. Following the completion of a development plan for a discovery, the parties are to apply to the relevant government entity for a lease with respect to the area to be developed with an initial term of 20 years. The Government of India and the other parties to the PSC are allocated the percentages of any remaining production, after deduction of the costs of exploration, development, and production to be recovered. The percentages allocated to the Government of India are between 20% to 40% of the production from the KG Offshore Block and Ankleshwar Block, 30% to 55% of the production from the Sanand/Miroli Block and 10% to 30% of the production from the DS 03 Block. The blocks awarded under NELP-VI are allocated between 91% to 9% of the production from the KG Onshore Block, the RJ Block 20 and RJ Block 21 and between 85% to 15% for the DS 04 Block. This percentage split is based upon pre-determined production levels with the balance of the production to be allocated to the other joint venture participants in proportion to their participating interests.

### Bank Guarantees

The PSCs contain provisions whereby the joint venture participants must provide the Government of India a bank guarantee in the amount of 35% of the participant's share of the minimum work program for a particular Phase to be undertaken during the year. The work program is presented annually to the Management Committee for approval for the period April 1 through March 31. The work programs for the year April 1, 2012 through March 31, 2013 and their related budgets have yet to be approved for our existing PSCs to which we are a party. Accordingly, our estimates as to capital expenditures for these budgeted years as well as the year ending December 31, 2011 and beyond are subject to revision when the budgets are approved.

### Our Licenses in Israel

#### Our Levantine Basin Agreements

#### Sara & Myra Licenses

On June 18, 2010, the Israel Ministry of National Infrastructure approved the transfer and registration of deepwater offshore licenses known as the 348/Sara and the 347/Myra Licenses to a consortium in which we have a 5% participating interest and have been designated as Operator. The Myra license covers an area of approximately 396 square kilometers (97,854 acres) and the Sara license covers an area of approximately 404 square kilometers (99,831 acres). As at December 31, 2011, the remaining participating interest is held by a consortium that consists of Emanuelle Energy Ltd. (22.413%), Emmanuelle Energy – Gas and Oil Explorations Limited Partnership (19.161%), Modiin Energy – Limited Partnership (29.212%), I.P.C. Oil and Gas (Israel) Limited Partnership (13.609%), The Israel Land Development Company Ltd. (5.000%) and IDB Development Corporation Ltd. (5.605%). On October 6, 2010 we entered into a Joint Operating Agreement with all members of the consortium.

The license provides that exploration activities be conducted over a three year period commencing July 14, 2008 and expiring July 13, 2011. During that period, certain milestones and commitments were to be met with respect to each of these licenses as follows:

| Stage | Due Date           | Term  |
|-------|--------------------|---|
| 1     | June 1, 2010       | Commence Prospect geological review   |
| 2     | July 15, 2010      | Complete the 3D seismic survey acquisition and processing   |
| 3     | August 1, 2010     | Complete first stage of 3D seismic survey interpretation results and submit a report                    |
| 4     | September 15, 2010 | Complete Prospect geological review and submit a report   |
| 5     | October 15, 2010   | Complete Hydrocarbon system analysis and submit a report  |
| 6     | December 31, 2010  | Final drilling Prospect submission including drilling plans   |
| 7     | March 31, 2011     | Presentation of a contract with drilling contractor to perform drilling services on identified Prospect |
| 8     | July 13, 2011      | Commencement of drilling  |

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All the above commitments have been met with the exception of stage #8. The Israel Petroleum Commissioner's Office granted an extension for the commencement of drilling until June 15, 2012 with the second well to commence immediately thereafter.

**Samuel License**

On June 16, 2010, the Israel Petroleum Commissioner's office notified a consortium of which we are a member of the award of a petroleum license to one shallow water offshore license known as the 388/Samuel License. The license covers an area of approximately 361 square kilometers (89,205 acres). We currently hold a 42% effective participating interest in this license comprised as follows: a 30% participating interest held by our wholly owned subsidiary GeoGlobal Resources (India) Inc. plus an effective 12% participating interest held through our 40% ownership of Adira Geo Global Ltd. which holds a 30% participating interest. Adira Geo Global has been designated as Operator. We currently hold 40% of Adira Geo Global through our wholly owned subsidiary GeoGlobal Resources (Barbados) Inc. and are awaiting the transfer of an additional 10% shareholding in Adira Geo Global Ltd. to increase our effective participating interest to 45%. The remaining balance is held as to Adira Technologies Ltd. (23.25%), Brownstone Venture Inc. (6.75%) and Pinetree Capital Ltd. (10%).

In April 2011, the Israel Ministry of National Infrastructure extended certain commitment dates on the Samuel license. The license now provides that exploration activities are to be conducted as follows:

| Stage | Due Date         | Term   |
|-------|------------------|--|
| 1     | November 1, 2010 | Collecting, purchasing and integration of all the existing seismic and geological data of the license area and submit summary report |
| 2     | March 15, 2011   | Sign 3D seismic acquisition contract   |
| 3     | May 15, 2011     | Commence 3D seismic acquisition survey   |
| 4     | February 1, 2012 | Complete acquisition and processing of 3D seismic survey and submit preliminary report   |
| 5     | April 1, 2012    | Complete 3D seismic interpretation and submit report   |
| 6     | June 1, 2012     | Preparation of geological prospect for drilling  |
| 7     | July 1, 2012     | Sign contract with drilling contractor   |
| 8     | October 1, 2012  | Commencement of drilling   |
| 9     | February 1, 2013 | Submit drilling summary report   |

All the above commitments have been met with the exception of stages #6-8. Item #5 above will be submitted to the Ministry on or before April 1, 2012.

**Our Contracts in Colombia****Our Putumayo Basin Agreements****PUT 6 and PUT 7 Licenses**

On September 14, 2010 we entered into a Memorandum of Understanding with Petro Caribbean Resources Ltd. relating to oil and natural gas exploration and development activities in Colombia, subject to execution by Petro Caribbean Resources Ltd. of definitive agreements with the Colombian National Agency of Hydrocarbons. The exploration activities are to be conducted on two onshore exploration blocks located in the Putumayo basin in southwest Colombia known as the Putumayo 6 (PUT 6) and Putumayo 7 (PUT 7) licenses. The PUT 6 license covers an area of approximately 177 square kilometers (43,738 acres) and the PUT 7 license covers an area of approximately 531 square kilometers (131,213 acres). Subject to the execution of a Joint Operating Agreement, we will be carried for a 10% participating interest in both licenses through the minimum and additional work programs as bid in return for us providing to Petro Caribbean Resources Ltd. technical assistance through the exploration phase.

The minimum work program on each license during the initial exploration period is to reprocess existing 3D seismic and drill one well. If after completing the reprocessing of the existing 3D seismic in the initial exploration period, the parties choose not to drill a well, 100% of the contract area will be relinquished.

There are two extension exploration periods that if we elect to continue into, we would be required to drill one well in each extended period.

#### The Israel Land Development Company – Energy Ltd. Transaction

On November 21, 2011, we closed a private placement transaction with The Israel Land Development Company – Energy Ltd. (“ILDE”) (the “Transaction”) and entered into certain other agreements in connection therewith (together, the “Transaction Agreements”). The Transaction consisted of two parts. The first tranche closed on November 21, 2011 and involved the issuance by us of 16,466,639 shares of Common Stock to ILDE for US\$3,951,993. The second tranche is anticipated to close on or before March 29, 2012 and involves the exchange of 32,740,479 shares of Common Stock, the issuance of 16,466,639 warrants to purchase shares of our Company’s common stock (the “Warrants”) and the potential issuance of 16,466,639 units, each consisting of (i) one share of our Common Stock and (ii) a Warrant (the “Units”).

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Immediately following the closing of the Transaction, ILDE will own approximately 36.6% of the outstanding shares of our Common Stock and will have the right to acquire another approximately 26.9% of the outstanding shares of our Common Stock. If ILDE exercises all of its Warrants and purchases and exercises all of its Units, it would subsequently hold approximately 53.6% of our outstanding shares of Common Stock. Such an increase in ILDE's percentage of ownership would constitute a change of control. ILDE would then have the ability to influence the outcome of any corporate action by us that requires stockholder approval, including, but not limited to, the election of directors, approval of merger transactions and the sale of all or substantially all of our assets. This influence and actual control may have the effect of discouraging offers to acquire us because any such consummation would likely require the consent of ILDE.

In addition, if ILDE exercises its rights to acquire more than 50% of the voting power of our Company, we would be considered a controlled company under the NYSE Amex listing standards. As such, the NYSE Amex corporate governance rules requiring that a majority of our board of directors and our entire nominating and compensation committees be independent would not apply. As a result, the ability of our independent directors to influence its business policies and affairs may be reduced.

### Our Oil and Gas Exploration and Drilling Activities

As at December 31, 2011, we have participated since inception through joint ventures in the drilling of one hundred wells. Further, we acquired three wells originally drilled by ONGC in the Tarapur Block within the Cambay Basin. Of the total one hundred wells drilled, eighteen were drilled in the Krishna Godavari Basin, seventy-eight were drilled in the Cambay Basin and four were drilled in the Bikaner-Nagaur Basin. A total of forty-four wells have been abandoned or will be abandoned because of the absence of economic quantities of hydrocarbons or because the well characteristics would make the production of hydrocarbons problematic and non-commercial.

Field development plans have been filed by GSPC with the Government of India and Director General of Hydrocarbons for a portion of the KG Offshore Block and the Tarapur Block under the provisions of the PSC. The Government of India has provided approval for these plans subject to certain terms and conditions.

While we have discoveries in the Ankleshwar Block and the Sanand/Miroli Block along with additional discoveries in the Tarapur Block and the KG Offshore Block, field development plans have not yet been submitted on those blocks for those specific discoveries.

### Our Krishna Godavari Basin Activities

#### KG Offshore Activities

#### Deen Dayal West Field Development Plan

A Field Development Plan has been approved as follows:

- Includes fifteen wells; four existing wells (KG#8, KG#15, KG#17 and KG#28) and eleven new development wells including three slant wells and eight multilateral wells to be drilled.
  - Production facilities to be constructed include:
    - o Two offshore platforms (one well head and one central processing facility);
    - o 20 kilometer long pipeline of 24 inch diameter pipe extending to a landfall point; and
    - o One onshore gas terminal to include a gas sweetening unit, gas dehydration unit, dew point depression unit, condensate stabilization unit, sulphur recovery unit and a captive power unit.
- Delivery point for gas will be the outlet flange of a delivery facility to be located at the onshore terminal near Yanam, Kakinada, Andhra Pradesh.
- First gas production to commence December 2011 (subsequent to approval, amended to April 2013 or later).
- GSPC as operator is expected to apply for a 17 square kilometer mining lease to cover this area.



GSPC estimated in the Field Development Plan that on a preliminary basis the gross costs for the production facilities will be approximately US\$941 million and US\$860 million for future development drilling costs. Subsequently, the estimated Field Development costs for the production facilities has been increased to approximately \$1.2 billion.

The Government of India has approved an extension of the KG-08 and KG-15 discoveries toward the southern portion of the block and as a result, an additional 20.5 square kilometers has been granted for development.

The Operator of the KG Offshore Block commenced drilling an appraisal well (DDE-APP-1) on the Deen Dayal East portion of the block. The well was drilled with the objective of appraising the hydrocarbon bearing sands of the KG-16 discovery well and, in the process, to test the Cretaceous and Jurassic Rift Fill and younger sandstones that were found to be productive in other wells on the Deen Dayal structural complex. The well was drilled to 5,621 meters and encountered basement at 5,530 meters.

Two Drill Stem Tests (“DST”) were undertaken after logging of the lower section of the well. DST-1 was undertaken in the rift fill section with perforation between 4,957 to 4,970 meters. This test flowed water at an average rate of 1,500 barrels of water per day and carbon dioxide ranging 20% to 28% was found in the well stream. DST-2A was undertaken in a shallower section with perforation between 4,774 to 4,786.5 meters and 4,789 to 4,799.5 meters. This test flowed gas at 0.73 MMcf per day with condensate at 60 barrels per day from a 12/64 inch choke with 6% constant carbon dioxide was observed during the test. The well has been abandoned

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On September 12, 2011, the development drilling program at the Deen Dayal West gas condensate field (“DDW”) commenced. The Jack-up rig Deep Sea Driller-1, which is located over the DDW Well Head Platform in a water depth of 60 meters, will drill the initial section of the first four development wells. The completion of the wells to their target depth and the drilling of the remaining development wells will be completed by a more cost efficient modular rig, expected to be installed on the well head platform by January 2012. The Field Development Plan (“FDP”) envisages a total of 11 new wells, including the four wells mentioned above, and the re-completion of the four existing wells at DDW.

### KG Onshore Activities

The Operator of the KG Onshore Block is required to complete a 3D seismic acquisition program to acquire approximately 400 square kilometers of data, of which approximately 235 square kilometers has been acquired over the past two years before the program was suspended in the third quarter of 2011 due to weather. Part of the acquired seismic to date has been processed and interpreted.

Three priority locations as proposed have been reviewed and agreed to by the Operating Committee. All of these locations have multiple prospects in both the shallower (Eocene – Miocene) and deeper (Cretaceous – Jurassic) zones.

In February 2011, a contract was awarded to RPS Energy, Canada (RPS) to provide the well engineering and wellsite supervision work associated with the planned drilling campaign on the KG Onshore Block. Our commitment on this block is to drill twelve exploration wells to various depths between 2,000-5,000 meters.

The Operator of the KG Onshore Block has floated tenders for the major components of the drilling program which include the drilling rig, casing, wellhead, liner hanger, cementing, bulk handling plant (BHP), directional drilling (DD) & measurement while drilling (MWD), Mud Engineering & Waste Management and coring. The Company anticipates these tenders to be awarded in the second quarter of 2012. The ancillary tenders for items such as wireline logging, mud logging and well testing are currently being finalized and are expected to be floated shortly.

Management anticipates the drilling of the first of two shallow wells will commence by the end of the third quarter 2012 and one deep high pressure high temperature well will commence drilling before the end of the fourth quarter of 2012 or early first quarter of 2013.

### Our Cambay Basin Exploration Activities

#### Tarapur Block

##### Tarapur 1 Discovery Area

Currently there is an approved field development plan which covers an area of approximately 2.14 square kilometers within the Tarapur 1 Discovery Area of approximately 9.7 square kilometers, and includes three existing discovery wells (Tarapur 1, Tarapur P and Tarapur 5) and three development wells (TD-1, TD-2 and TD-3). All six wells are tied into the oil tank storage facilities by way of a gathering system and are on production.

There are ten additional wells in the Tarapur 1 Discovery Mining Lease Area which are drilled, tested and awaiting tie-in to the oil tank storage facilities. The preparation and filing of the field development plan for the seven appraisal wells in the TA-6 Discovery is pending approval of a submitted Declaration of Commerciality.

Production from one gas well (Tarapur G) will commence upon approval of the field development plan which GSPC has filed, pursuant to the provisions of the PSC.

#### Sanand/Miroli Block

In an Operating Committee Meeting held in December 2010, it was agreed that the consortium would apply for a Petroleum Mining Lease to cover three geometrical shapes surrounding the discoveries SE-8 (11.2 square kilometers),

SE-4 cluster (18.2 square kilometers) and M1M6 (10.4 square kilometers).

On April 19, 2011, the Operating Committee approved the field development plan of the M1 and M6 oil discoveries. GSPC is continuing with the process of preparing and filing the necessary declarations of commerciality and field development plans pursuant to the provisions of the PSC in order to put all these wells into production.

#### Ankleshwar Block

The Phase I Minimum Work commitments have been met on this block and the consortium elected not to proceed to Phase II but rather develop the existing discoveries. The consortium elected to retain a 172 square kilometer area around two discoveries ANK-21 and ANK-40S. A field development plan for the ANK-21 has been filed pursuant to the provisions of the PSC and is awaiting Government approval and a Declaration of Commerciality for the ANK-40S has been approved by the Operating Committee and submitted for Management Committee approval.

A gas discovery (ANK-41S) has also been notified within this 172 square kilometer area and GSPC is currently in the process of preparing an appraisal plan for this gas discovery.

GSPC continues to prepare and file the necessary declarations of commerciality and field development plans pursuant to the provisions of the PSC in order to put all these wells into production.

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### Mehsana Block

The Phase I exploration and appraisal period are completed and the minimum work commitments have been met on this block. As there is no commercial discovery on this block, the Operating Committee on September 19, 2011 elected to relinquish 100% of the block area back to the Government of India.

### Our Deccan Syncline Basin Exploration Activities

#### DS 03 Block

In August 2011, we applied for a sixteen month extension to Phase-I under excusable delay in obtaining requisite clearances and approvals for the aero-magnetic survey of 12,000 line kilometers. The same is under active consideration by the Government of India.

#### DS 04 Block

It is our intention as Operator of this block to drill ten core holes to a depth of 500 meters and complete a 500 line kilometer 2D seismic survey by the end of 2012.

### Our Bikaner-Nagaur Basin Exploration Activities

#### RJ20 and RJ21 Blocks

The Phularsar-1 well commenced drilling on April 29, 2011 and was drilled to a total vertical depth of 1,525 meters to test the Jodhpur Sandstone and the Upper Carbonate group. Wireline logs could not be recorded within the Upper Carbonate group as it suffered large mud loss while drilling the 12 - 1/4 inch section and Wireline formation tests within the Jodhpur formations did not confirm the presence of hydrocarbons. The Operator recommended not to lower the 5½ inch casing or to conduct a drill stem test program in this well and the well has been abandoned. The Phularsar-1 well was the third of a 20 well exploration program to be drilled over two Rajasthan blocks and the first well in the RJ20 Block.

The drilling rig moved approximately 11 kilometers northeast of the Phularsar-1 well and on August 1, 2011, commenced drilling the second prospect in the RJ20 Block, the Godu-1 well. This well has been drilled to a total depth of 1,641 meters. Wireline logs did not show any prospective hydrocarbon bearing zones in the well. The Operator recommended not to lower the 5½ inch casing and abandoned the well.

The Operator has budgeted to drill two wells during the period April 1, 2012 to March 31, 2013 to a depth of 1,500 meters on the RJ 20 Block..

With regard to Block RJ21, the Operator, along with Hindustan Petroleum Corporation Limited have proposed to relinquish the block without applying for the first six-month extension and has communicated the same to the Government of India. We disagree with this relinquishment and have written to the Government of India to grant us the first six-month extension to allow us to complete our share of the minimum work program commitment. OIL has paid the petroleum exploration license fees up to January 20, 2013 which would enable us to continue the exploration program. However, we are awaiting Government of India approval and direction in order to proceed with the exploratory program.

### Our Israel Exploration Activities

#### Sara and Myra

We commenced with and completed the processing and interpretation of 1,360 square kilometers of previously acquired 3D seismic data.

The Israel Petroleum Commissioner's Office granted us an extension for the planned drilling program on the Myra and Sara licenses. Under the terms of the extension the partners were to present to the Petroleum Supervisor their final

prospects to the Myra and Sara licenses by August 1, 2011, which was presented timely, and further, to begin drilling the first well by no later than March 31, 2012. Drilling of the second well will commence after completion of the first well. Due to the delay in the arrival of the drilling rig, the consortium made a request for a further extension to commence drilling. The approval of this request was granted on March 27, 2012 to extend the drilling date to June 15, 2012.

On July 1, 2011 we finalized the terms of the Assignment Agreement entered into with a third party whereby we took assignment of a third party's rights and obligations to an existing Drill Rig and Associated Services Contract for a Semi-submersible Drilling Rig, the Noble Homer Ferrington. Further, under the terms of the agreements, on December 1, 2011 we posted a letter of credit and made a cash payment to prepay for 148 drilling days for the Drilling Rig. The Noble Homer Ferrington is a 4th Generation Enhanced Pacesetter design Semi-submersible rig capable of drilling in water depths of up to approximately 2,100 meters (7,000 feet). The Drilling Rig is currently working in the Levantine Basin in Israel and upon completion of the current well, will be immediately mobilized to our Myra-1 location. We anticipate the rig will be available to us in the latter part of April or early May 2012.

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### Samuel

On August 1, 2010 we were granted a license from the state of Israel where we became the co-operator of the Samuel license through our partnership with Adira Energy and a commonly owned Israeli company, Adira Geo Global Ltd.

Data gathered during the 43 square kilometer 3D seismic acquisition program on the Samuel license, which was completed in July 2011, is currently being processed. Processing and interpretation of the data which will be carried out internally is currently underway. The summary interpretation report will be submitted to the Ministry prior to the deadline of April 1, 2012. The processing and interpretation of this seismic data will allow the Company to finalize drilling decisions on this license which we anticipate will commence before the end of 2012.

### Our Colombia Exploration Activities

#### PUT 6 and PUT 7

On September 14, 2010 we entered into a Memorandum of Understanding with Petro Caribbean Resources Ltd. relating to oil and natural gas exploration and development activities in Colombia, subject to execution by Petro Caribbean Resources Ltd. of definitive agreements with the Colombian National Agency of Hydrocarbons. Subject to the execution of a Joint Operating Agreement, we will be carried for a 10% participating interest in both the PUT 6 and PUT 7 licenses through the minimum and additional work programs as bid in return for us providing to Petro Caribbean Resources Ltd. technical assistance through the exploration phase.

We, along with our partners are currently finalizing the design and tender for the seismic acquisition program. The high resolution acquisition program is anticipated to cover approximately 100 square kilometers on the PUT6 block and approximately 250 square kilometers on the PUT 7 block. All other work is progressing as required under the license.

### Our 2012 Anticipated Oil and Gas Activities

We expect our exploration and development activities pursuant to our PSCs in India will continue through 2012 in accordance with the terms of those agreements. During 2012 and up to March 31, 2013, based on current budgets, we anticipate drilling five exploratory wells and two core wells; completion of the acquisition, processing and interpretation of our DS 2D seismic data; and completion of the acquisition, processing and interpretation of our KG Onshore 3D seismic data. We further expect to tie-in additional oil wells in Tarapur along with the completion of the construction of a gas pipeline for the Tarapur G gas discovery and to continue with the construction of the gas gathering and production facilities together with further development drilling on the KG Offshore Block in which we have a carried interest. Additional expenditures may be incurred in connection with additional exploratory, appraisal and development wells we may participate in. If the Government of India approves the increase to our participating interest in the KG Onshore Block to 20%, our obligations to fund the 3D seismic acquisition and the exploratory drilling on the block will increase.

We expect our exploration activities pursuant to our other licenses in Israel will continue through 2012 in accordance with the terms of those agreements. During 2012, we expect to complete the drilling of two deepwater exploration wells, one in each of our Myra and Sara licences. In addition, we expect to complete the processing and interpretation of the recently acquired 43 square kilometers of ocean bottom cable 3D seismic data and commence drilling the first exploration well in our Samuel license.

We may during 2012 seek to participate in joint ventures bidding for the acquisition of oil and gas interests in Israel, India, Colombia and other countries. As of March 27, 2012 we have no specific plans regarding such activities and have not entered into any binding agreements with respect to such activities. We expect that our interest in any such ventures would involve a minority participating interest in the venture. In addition, although there are no present plans to do so, as opportunities arise we may seek to acquire minority participating interests in exploration blocks where PSCs or Licenses have been heretofore awarded. The acquisition of any such interests would be subject to the

execution of a definitive agreement and obtaining requisite government consents and other approvals.

As of March 27, 2012, the scope of any possible such activities has not been definitively established and accordingly we are unable to state the amount of any funds that will be required for these purposes. As a result, no specific plans or arrangements have been made to raise additional capital and we have not entered into any agreements in that regard. We expect that when we seek to raise additional capital it will be through the sale of equity securities, debt or other financing arrangements. We are unable to estimate the terms on which such capital will be raised, the price per share or possible number of shares involved or the terms of any agreements to raise capital under other arrangements.

During the first quarter of 2011, we hired one new employee in our Canadian corporate office. Throughout 2011, we hired seven full time persons in Israel to support our Israeli operations. We do not expect to have any further significant change in 2012 in our number of employees.

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## Development and Exploration Expenditures

The following table sets forth information regarding net costs, after impairment and depletion, we incurred in our development and exploration activities by basin block areas as at December 31 for each of the last three years.

| Millions                      | \$2011        | \$2010        | \$2009        |
|-------------------------------|---------------|---------------|---------------|
| <b>Development Costs</b>      |               |               |               |
| Cambay Basin Blocks           | 8.295         | 2.852         | 4.020         |
| <b>Exploration Costs</b>      |               |               |               |
| <b>India</b>                  |               |               |               |
| Krishna Godavari Basin Blocks | 7.977         | 6.455         | 5.577         |
| Cambay Basin Blocks           | 14.893        | 20.859        | 31.039        |
| Deccan Syneclise Basin Blocks | 2.434         | 2.285         | 1.054         |
| Bikaner-Nagaur Basin Blocks   | 2.601         | 6.424         | 4.123         |
| Colombia                      | 0.165         | 0.135         | --            |
| Israel                        | 5.372         | 1.459         | --            |
|                               | 33.442        | 37.617        | 41.793        |
| <b>Total</b>                  | <b>41.737</b> | <b>40.469</b> | <b>45.813</b> |

As at December 31, 2011 GSPC incurred costs of approximately \$263 million (December 31, 2010 - approximately \$189 million) for exploration activities on the KG Offshore Block attributable to us under our Carried Interest Agreement with GSPC (of which 50% is for the account of Roy Group (Mauritius) Inc.). We will not realize cash flow from the KG Offshore Block until such time as the expenditures attributed to us (including those expenditures made for the account of Roy Group (Mauritius) Inc.) under the Carried Interest Agreement have been recovered by GSPC from future production revenue. Under the terms of the Carried Interest Agreement, all of our proportionate share of capital costs for exploration and development activities must be repaid to GSPC without interest over the projected production life or ten years, whichever is less. However, we are presently involved in a dispute with GSPC: see "Item 1 - Business - Our Production Sharing Contracts in India – Our Krishna Godavari Basin Agreements - KG Offshore Block PSC - Carried Interest Agreement Dispute".

The following table presents the amount of suspended exploratory drilling costs relating to continuing operations at December 31 for each of the last three years, and changes in those amounts during the years then ended and prior.

| Millions   | \$2011    | \$2010    | 2009 and<br>prior<br>\$ |
|--|-----------|-----------|-------------------------|
| Balance at January 1                                   | 37.617    | 41.793    | 60.178                  |
| Additions pending the determination of proved reserves | 8.471     | 9.213     | 30.111                  |
| Reclassification to proved properties                  | (12.646 ) | (13.389 ) | (4.313 )                |
| Charge to impairment expense                           | --        | --        | (10.098 )               |
| Balance at December 31                                 | 33.442    | 37.617    | 75.878                  |

The following table presents the total amount of suspended exploratory drilling costs as of December 31, 2011 by geographical area, including the year the costs were originally incurred. The table excludes amounts capitalized and subsequently reclassified to proved oil and gas properties or charged to expense as impairment.

|  | Year Costs Incurred |        |        |
|--|---------------------|--------|--------|
|  | Total               | \$2011 | \$2010 |
|  |                     |        |        |



| Millions  | \$     |          |           | 2009 and<br>prior<br>\$ |
|---|--------|----------|-----------|-------------------------|
| India   |        |          |           |                         |
| KG Basin  | 7.977  | 1.522    | 0.878     | 5.577                   |
| Cambay Basin  | 14.893 | (5.966 ) | (10.180 ) | 31.039                  |
| Bikaner-Nagaur Basin  | 2.601  | 3.823    | 2.301     | 4.123                   |
| Deccan Syncline Basin   | 2.434  | 0.149    | 1.231     | 1.054                   |
| Israel  | 5.372  | 3.913    | 1.459     | --                      |
| Colombia  | 0.165  | 0.030    | 0.135     | --                      |
| Total   | 33.442 | (4.175 ) | (4.176 )  | 41.793                  |
| Suspended exploratory drilling costs capitalized for a period greater than one year after completion of drilling at December 31, 2011 (included in the table above) |        | 22.758   |           |                         |

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Well costs that have been suspended for longer than one year are associated with seven exploration blocks within three geological basins in India. The exploration phase for a PSC in India generally covers a period of seven to eight years. The majority of these costs are suspended pending the completion of an economic evaluation including, but not limited to, results of additional appraisal drilling, well test analysis, additional geological and geophysical data and approval of a Field Development Plan pursuant to the related PSC. Management believes these projects with suspended exploratory drilling costs exhibit the potential for sufficient quantities of hydrocarbons to justify potential development and is actively pursuing efforts to assess whether reserves can be attributed to these geological basins. If additional information becomes available that raises doubt as to the economic or operational viability of any of these projects, the associated costs will be evaluated at that time.

### Hedging Activities

At December 31, 2011 we had not entered into any market risk sensitive instruments (as such term is defined in Item 305 of Regulation S-K), relating to our operations.

### Marketing

Under the terms of our PSCs, until India's total production of crude oil and condensate meets the Indian national demand, we are required to sell in the Indian domestic market our entitlement to crude oil and condensate. When and for so long as India attains self-sufficiency in the production of crude oil and condensate, our domestic sale obligation is suspended and we will have the right to export our entitlement.

The PSCs provide that the Indian domestic market will have the first call on natural gas produced from the areas that are the subject of the contracts.

The PSCs provide that the parties are to agree monthly on a price for crude oil which is intended to be on an import parity basis. Prices of natural gas are intended to be based on Indian domestic market prices.

Our ability to market any production of crude oil and natural gas will be dependent upon the existence and availability of pipelines or other gathering systems, storage facilities and an ability to transport the hydrocarbons to market. Except for the Tarapur 1 Development Area where there exists a gathering system and oil tank storage facilities, there are yet to be constructed any facilities as mentioned above on our remaining blocks.

We are not a party to any agreements providing for the delivery of fixed quantities of hydrocarbons.

### Competition

We experience competition from others seeking to participate in joint ventures and other arrangements to participate in exploratory drilling ventures. In addition, the joint ventures in which we participate experience competition from other ventures and persons in seeking from governmental bodies and, possibly others, agreements to grant and enter into production sharing and other contracts. Management of our company believes that competition in entering into such agreements with governmental bodies is based on the extent and magnitude of exploratory activities that the applicants propose to undertake on the exploration blocks and licenses under consideration as well as the applicants' available capital and technical ability.

### Employees

The services of our President and Chief Executive Officer, Paul B. Miller, our Chief Financial Officer, Sunil S. Karkera and our Vice President of Finance, Allan J. Kent are provided pursuant to Employment Agreements. The services of our VP of Exploration (Canada), Dr. Miles Leggett are provided pursuant to an offer of employment agreement. As such, the services of Messrs. Miller, Karkera, Kent and Leggett are provided to us in their capacity as

employees of GeoGlobal and each devote substantially all of their time to our affairs.

In addition to Messrs. Miller, Karkera, Kent and Leggett, as at December 31, 2011 we employ four full time persons and three consultants in Calgary, Alberta, Canada. In Gandhinagar, Gujarat, India, we employ ten full time persons and two consultants and in Herzliya, Israel, we employ seven full time persons.

#### Incorporation and Organization

On August 29, 2003, we acquired all of the issued and outstanding shares of GeoGlobal India, a corporation then wholly-owned by Mr. Jean Paul Roy. The completion of the acquisition resulted in the issuance and delivery by us of 34,000,000 common shares and delivery of a \$2.0 million promissory note to Mr. Roy. Of such shares, we issued and delivered 14.5 million shares at the closing of the acquisition and 14.5 million shares were released from escrow on August 27, 2004 upon the commencement of a drilling program. The remaining 5.0 million shares were released from escrow on December 11, 2009 upon confirmation from the GeoGlobal Resources Inc. Board of Directors that the conditions for their release under the terms of the Escrow Agreement had been met. As a result of this transaction, Mr. Roy held as of the closing of the transaction approximately 69.3% of our issued and outstanding shares. Mr. Roy was also elected our President and a Director on August 29, 2003. This transaction is considered an acquisition of GeoGlobal Resources Inc. (the accounting subsidiary and legal parent) by GeoGlobal India (the accounting parent and legal subsidiary) and has been accounted for as a purchase of the net assets of GeoGlobal Resources Inc. by GeoGlobal India. Accordingly, this transaction represents a recapitalization of GeoGlobal India, the legal subsidiary, effective August 29, 2003.

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Through late 2001, we were engaged in the creation, operation and maintenance of a World Wide Web-based community, known as Suite101.com, Inc. At the end of 2001, management at that time determined to redirect activities and by mid 2002, the company was no longer engaged in the former Web-based activities.

We are a corporation organized under the laws of the State of Delaware in December 1993. From December 1998 to January 2004, our corporate name was Suite101.com, Inc. At a meeting held January 8, 2004 our stockholders approved an amendment to our Certificate of Incorporation to change our corporate name to GeoGlobal Resources Inc.

### Item 1A. Risk Factors

An investment in shares of our common stock involves a high degree of risk. You should consider the following factors in addition to the other information contained in this Annual Report in evaluating our business and current and proposed activities before you purchase any shares of our common stock. You should also see “Item 1A – Risk Factors - Cautionary Statement for Purposes of the “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995” regarding risks and uncertainties relating to us and to forward-looking statements in this Annual Report.

There can be no assurance that the exploratory drilling to be conducted on the exploration blocks and licenses in which we hold an interest will result in any discovery of reserves of hydrocarbons or that any hydrocarbons that are discovered will be in commercially recoverable quantities. In addition, the realization of any revenues from commercially recoverable hydrocarbons is dependent upon the ability to deliver, store and market any hydrocarbons that are discovered.

#### Risks Relating to Our Oil and Gas Activities

##### We Have A History Of Losses And Our Liquidity Position Imposes Risk To Our Operations

To date, we have not achieved our planned principal operations and we are considered to be in the development stage of our operations. We have incurred negative cash flows from our operations, and at this time all exploration activities and overhead expenses are primarily financed by way of the issue and sale of equity securities with a small portion being financed from oil sales and interest income on our cash balances. The recoverability of the costs we have incurred to date is uncertain and is dependent upon achieving commercial production or sale. Our prospects must be considered in light of the risks, expenses and difficulties which are frequently encountered by companies in their early stage of operations, particularly companies in the oil and gas exploration industry.

Our ability to continue as a going concern is dependent upon obtaining the necessary financing to complete further exploration and development activities and generate profitable operations from oil and natural gas interests in the future. Our financial statements as at and for the year ended December 31, 2011 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. We incurred a net loss of approximately \$12.6 million, used approximately \$4.3 million of cash flow in our operating activities and had an accumulated deficit of approximately \$60.2 million. As at December 31, 2011 we had working capital deficiency of approximately \$1.9 million. These matters raise doubt about our ability to continue as a going concern.

We expect to incur substantial expenditures to further our exploration and development programs. The existing cash balance and any cash flow from operating activities may not be sufficient to satisfy current obligations and meet our exploration and development commitments. Development activities within our blocks and licenses that are unable to achieve production in the short term may need to be deferred or curtailed. We are considering various alternatives to remedy any future shortfall in capital. We may deem it necessary to raise capital through equity markets, debt markets or other financing arrangements, including participation arrangements that may be available. Because of the early stage of our operations and our absence of any material oil and natural gas reserves and revenues, there can be

no assurance this capital will be available and if it is not, we may be forced to substantially curtail or cease exploration expenditures which could lead to our inability to meet all of our commitments.

Should the going concern assumption not be appropriate and we are not able to realize our assets and settle our liabilities, commitments and contingencies (as more fully described in our consolidated financial statements) in the normal course of operations, adjustments would be required to our consolidated financial statements to the amounts and classifications of assets and liabilities, and these adjustments could be significant. Our consolidated financial statements do not reflect the adjustments or reclassifications of assets and liabilities that would be necessary if we are unable to continue as a going concern.

#### GSPC Is Seeking a Substantial Payment From Us On Account Of GSPC's Exploration Costs On the KG Offshore Block

GSPC has advised us that it is seeking from us payment of our pro rata portion of the amount by which the sums expended by GSPC under all phases for the minimum work program as set forth in the PSC for the KG Offshore Block in carrying out exploration activities on the block exceeds the amount that GSPC deems to be our pro rata portion of a financial commitment under all phases included in the parties' joint bid for the award of the KG Offshore Block by the Government of India.

GSPC contends that this excess amount is not within the terms of the Carried Interest Agreement and that we are required to pay 10% of the exploration expenses over and above gross costs of \$109.7 million (10% being \$10.97 million) (including the net 5% interest of Roy Group (Mauritius) Inc.) plus interest.

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For a full description of this matter, see “Item 1 – Business – Our Production Sharing contracts in India – Our Krishna Godavari Basin Agreements – KG Offshore Block PSC – Carried Interest Agreement Dispute”.

We estimate the amount of GSPC’s claim as of December 31, 2011 to be approximately \$263.03 million plus interest, if any, of which 50% is for the account of Roy Group (Mauritius) Inc.

We dispute these positions of GSPC and the conclusions reached by GSPC and we intend to vigorously protect our contractual rights in accordance with the dispute resolution process under the Carried Interest Agreement, the PSC and the Joint Operating Agreement as may be appropriate. However, there can be no assurance that we will not by operation of law or through the dispute resolution process be required to pay GSPC the full amount it alleges to be owed, nor that adequate capital will be available to us to pay any such amounts, with consequent impact on our ability to continue as a going concern.

**Our Activities Have Only Recently Commenced And We Have a Very Limited Operating History. Our Reserves Of Oil And Gas Are Not Material. We Anticipate Future Losses and There Is No Assurance Of Our Success**

We are in the early stage of developing our operations. We have a very limited operating history and we have realized very limited revenues from our activities. We do not have material reserves of oil and gas as at December 31, 2011.

Our activities in the oil and natural gas exploration and production industry have primarily involved entering into ten PSCs with the Government of India. We also have exploration activities in Israel and Colombia however those activities are in the very early stages of development. Our exploration opportunities are highly speculative and should any of these opportunities not result in the discovery of commercial quantities of oil and gas reserves, our investment in the venture could be lost. Our current plans are to conduct the exploration and development activities on the areas offshore and onshore in accordance with the terms of the production sharing and other contracts we are a party to. There can be no assurance that the exploratory drilling to be conducted on the exploration blocks in which we hold an interest will result in any discovery of hydrocarbons or that any hydrocarbons that are discovered will be in commercially recoverable quantities. Further, the realization of any revenues from commercially recoverable hydrocarbons is substantially dependent upon the ability to deliver, store and market any hydrocarbons discovered. As of March 27, 2012 there are no or limited facilities for the delivery and storage of hydrocarbons in the areas covered by our PSCs and licenses.

As a company engaged in exploratory oil and gas activities we are exposed to a number of special risks including, among others;

- We may experience failures to discover oil and gas in commercial quantities;
- There are uncertainties as to the costs to be incurred in our exploratory drilling activities, cost overruns are possible and we may encounter mechanical difficulties and failures in completing wells;
- There are uncertain costs inherent in drilling into unknown formations, such as over-pressured zones, high temperatures and tools lost in the hole; and
  - We may make changes in our drilling plans and locations as a result of prior exploratory drilling.

There can be no assurance that the ventures in which we are a participant or hold an interest will be successful in addressing these risks, and any failure to do so could have a material adverse effect on our prospects for the future.

**We Expect to Have Substantial Requirements Under the Terms of Our Production Sharing And Other Contracts For Additional Capital That May Be Unavailable To Us Which Could Limit Our Ability To Participate In Our Existing Ventures. Our Available Capital is Limited**

In order to participate under the terms of our production sharing or other contracts in future exploration, appraisal or development programs, we will be required to contribute or have available to us material amounts of capital. Under

the terms of our Carried Interest Agreement relating to the KG Offshore Block, after the start date of initial commercial production on the KG Offshore Block, and under the terms of the nine other PSCs we are parties to in India, we are required to bear our proportionate share of costs during the exploration and development phases of those agreements. Under the terms of the three licenses we are a party to in Israel we are required to bear our proportionate share of costs during the exploration and development phases of those agreements. There can be no assurance that our currently available capital will be sufficient for these purposes or that any additional capital that is required will be available to us in the amounts and at the times required. Such capital also may be required to secure bank guarantees in connection with the grant of exploration rights, to conduct or participate in exploration activities or be engaged in drilling, completion and development activities. We intend to seek additional capital to meet our requirements from equity markets, debt markets or other financing arrangements, including participation arrangements that may be available for continued exploration and development expenditures. Our ability to access additional capital will depend in part on the success of the ventures in which we are a participant in locating reserves of oil and gas and developing producing wells on the exploration blocks and licenses, the results of our management in locating, negotiating and entering into joint venture or other arrangements on terms considered acceptable, as well as the status of the capital markets at the time such capital is sought.

Should we be unable to access the capital markets or should sufficient capital not be available, our activities could be delayed or reduced and, accordingly, any future exploration opportunities, revenues and operating activities may be adversely affected and could also result in our breach of the terms of a production sharing or other contract which could result in the loss of our rights or a portion thereof under the contract.

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As of December 31, 2011 we had cash and cash equivalents of approximately \$10.5 million. We expect to incur expenditures to further our exploration programs. Our existing cash balance and any cash flow from operating activities is not sufficient to satisfy our current obligations and meet our exploration commitments of \$16.9 million for the next twelve months ending December 31, 2012; nor \$39.8 million for the three years ending December 31, 2014. In addition to our current exploration commitments of \$16.9 million, we estimate the cost of maintaining current operations through December 31, 2012 to be approximately \$5.4 million.

We are considering various alternatives to remedy any future shortfall in capital. We deem it necessary to raise capital for continued exploration and development expenditures through equity markets, debt markets or other financing arrangements, which could include the sale of our oil and gas interests or participation arrangements in those interests. There can be no assurance that these capital resources will be available and if they are not, we may be forced to substantially curtail or cease exploration and development expenditures.

Although exploration activity budgets are subject to ongoing review and revision, our present estimate of commitments of capital pursuant to the terms of our production sharing contracts relating to our ten exploration blocks in India and our three licenses in Israel totals approximately \$16.9 million during the year ending December 31, 2012. Upon receipt of approval from the Government of India for the increase to a 20% participating interest on the KG Onshore Block, these expenditures will increase by \$4.9 million for the year ending December 31, 2012 plus \$2.7 million for past expenditures incurred to December 31, 2011. Any further production sharing or other contracts we may seek to enter into or any expanded scope of operations or other transactions that we may enter into may require us to fund our participation or capital expenditures with amounts of capital not currently available to us. We may be unsuccessful in raising the capital necessary to meet these capital requirements.

### Possible Inability Of Contracting Parties To Fulfill The Minimum Work Programs For Certain Of Our PSCs

Our PSCs relating to our exploration blocks in India provide that by the end of each exploration phase the contracting parties shall have drilled a certain number of wells or performed certain exploration activities. The PSCs have provisions for termination of the PSCs on account of various reasons specified therein including material breach of the contract. Failure to timely complete the minimum work program may be deemed to constitute such a breach. Termination rights can be exercised after giving ninety days written notice. The termination of a PSC by the Government of India would result in the loss of our interest in the PSC other than contract areas of the PSC determined to encompass Commercial Discoveries.

In the event the minimum work program is not fulfilled by the end of the relevant exploration phase, the PSC provides that each party to the PSC is to pay to the Government of India its participating interest share of an amount equal to the amount that would be required to complete the minimum work program for that phase.

### Risks Associated With Our Holding A Carried Interest

Under the terms of our KG Offshore Carried Interest Agreement, we are carried by GSPC for all our share of any costs and expenses during the exploration phase on the KG Offshore Block prior to the start date of initial commercial production. Under the terms of our Carried Interest Agreement, after deducting all royalties payable, GSPC is entitled to recover all such costs and expenses out of production from wells drilled by GSPC on the block before we are entitled to receive any share of the production. Accordingly, we will not be entitled to receive any production of hydrocarbons or revenues from wells drilled on the block until such time as GSPC has recovered the costs and expenses GSPC paid during the exploration phase on our behalf.

The Operator of the KG Offshore Block is required to conduct exploration and drilling operations on the block in accordance with generally accepted oil and gas industry standards, subject to the terms of a Joint Operating Agreement, and is entitled to make all decisions and take all actions necessary in fulfilling the minimum work program commitments and future development commitments made relating to the KG Offshore Block. Through



December 31, 2011, GSPC had expended approximately \$263 million on our behalf under the terms of the Carried Interest Agreement of which 50% is for the account of Roy Group (Mauritius) Inc. and it is expected that those expenses will increase materially thereafter. There can be no assurance as to when, if ever, GSPC will recover our share of exploration costs and expenses. Until such time, we will realize no revenues from our interest in the KG Offshore Block. Accordingly, our ability to receive revenues from hydrocarbon production from the KG Offshore Block, notwithstanding our carried interest, is dependent upon future production and price realized being sufficient to enable GSPC to recover the costs and expenses it incurs on our behalf.

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### India's Regulatory Regime May Increase Our Risks And Expenses In Doing Business

All phases of the oil and gas exploration, development and production activities in which we are participating are regulated in varying degrees by the Indian government, either directly or through one or more governmental entities. The areas of government regulation include matters relating to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental protection and rig safety. In addition, the award of a PSC is subject to Government of India consent and matters relating to the implementation and conduct of operations under the PSC are subject, under certain circumstances, to Government of India consent. As a consequence, all future drilling and production programs and operations we undertake or undertaken by the ventures in which we participate in India must be approved by the Indian government. Shifts in political conditions in India could adversely affect our business in India and the ability to obtain requisite government approvals in a timely fashion or at all. We and our joint venture participants must maintain satisfactory working relationships with the Indian government. This regulatory environment and possible delays inherent in that environment may increase the risks associated with our exploration and production activities and increase our costs of doing business.

### We Are Dependent On The Operators Of Our Ventures And Their Failure Or Inability To Operate An Exploration Block

We have contractual rights under terms of ten PSCs with the Government of India. We are not the Operator of eight of these ten exploration blocks. On the DS 03 Block and the DS 04 Block we hold a 100% interest and are the Operator. The realization of success in the non-operated exploration blocks is substantially dependent upon the success of the Operators in exploring for and developing reserves of oil and gas and their ability to market those reserves at prices that will yield a return to us.

The minimum work programs required to be conducted by the contracting parties under certain of the PSCs to which we are a party have not been completed by the Operators within the time frames required by the PSCs. This circumstance could lead to the assessment of damages against the contracting parties and the loss of our investments under the PSCs. We are dependent upon the Operators to timely complete these minimum work programs.

In addition, we are presently involved in a dispute with the Operator of the KG Offshore Block. For a full description of this matter, see "Item 1 - Business – Our Production Sharing Contracts in India – Our Krishna Godavari Basin Agreements - KG Offshore Block PSC – Carried Interest Agreement Dispute".

### Certain Terms Of The PSCs May Create Additional Expenses And Risks That Could Adversely Affect Our Revenues And Profitability

The PSCs contain certain terms that may affect the revenues of the joint venture participants to the agreements and create additional risks for us. These terms include, among others, the following:

- The venture participants are required to complete certain minimum work programs during the two or three phases of the terms of the PSCs. In the event the venture participants fail to fulfill any of these minimum work programs, the parties to the venture must pay to the Government of India their proportionate share of the amount that would be required to complete the minimum work program. Accordingly, we could be called upon to pay our proportionate share of the estimated costs of any incomplete work programs;
- Until such time as the Government of India attains self sufficiency in the production of crude oil and condensate and is able to meet its national demand, the parties to the venture are required to sell in the Indian domestic market their entitlement under the PSCs to crude oil and condensate produced from the exploration blocks. In addition, the Indian domestic market has the first call on natural gas produced from the exploration blocks and the discovery and production of natural gas must be made in the context of the government's policy of utilization of natural gas and take into account the objectives of the government to develop its resources in the most efficient manner and promote conservation measures. Accordingly, this provision could interfere with our ability to realize the

maximum price for our share of production of hydrocarbons;

- The parties to each agreement that are not Indian companies, which includes us, are required to negotiate technical assistance agreements with the Government of India or its nominee whereby such foreign company can render technical assistance and make available commercially available technical information of a proprietary nature for use in India by the government or its nominee, subject, among other things, to confidentiality restrictions. Although not intended, this could increase each venture's and our cost of operations; and
- The parties to each venture are required to give preference, including the use of tender procedures, to the purchase and use of goods manufactured, produced or supplied in India provided that such goods are available on equal or better terms than imported goods, and to employ Indian subcontractors having the required skills insofar as their services are available on comparable standards and at competitive prices and terms. Although not intended, this could increase the ventures and our cost of operations.

These provisions of the PSCs, among others, may increase our costs of participating in the ventures and thereby affect our profitability. Failure to fully comply with the terms of the PSCs creates additional risks for us.

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Our International Operations May Be Adversely Affected By War, Terrorist Acts, Or Civil Disturbances That May Occur In Regions That Encompass Our Operations

We conduct exploration and development activities in Israel in a region which has historically been less politically stable than other areas in which we conduct business.

In 2010, civil unrest resulted in changes to the Tunisian and Egyptian governments. There were numerous demonstrations and some of those demonstrations were marked by violence.

Civil unrest could recur or spread throughout the region. Such unrest could lead to civil war; regime change resulting in governments that are hostile to the US and/or Israel, or other regional conflict.

At this time we are uncertain of the outcome of these events. However, prolonged and/or widespread regional conflict in the Middle East could have the following results, among others:

- volatility in global crude oil prices which could negatively impact the global economy, resulting in slower economic growth rates, which could reduce demand for our products;
- negative impact on the world crude oil supply if transportation avenues are disrupted, leading to further commodity price volatility;
- capital market reassessment of risk and subsequent redeployment of capital to more stable areas making it more difficult for partners to obtain financing for potential development projects;
- security concerns in Israel, making it more difficult for our personnel or supplies to enter or exit the country;
  - reduced market demand in Israel for natural gas due to efforts to conserve domestic resources;
  - security concerns leading to evacuation of our personnel;
  - damage to or destruction of our wells, production facilities, receiving terminals or other operating assets;
- inability of our service and equipment providers to deliver items necessary for us to conduct our operations in Israel, resulting in delayed start-up of our Samuel or Sara and Myra projects; and
- lack of availability of drilling rig, oilfield equipment or services if third party providers decide to exit the region.

Loss of property and/or interruption of our business plans resulting from hostile acts could have a significant negative impact on our earnings and cash flow. In addition, we may not have enough insurance to cover any loss of property or other claims resulting from these risks.

Oil And Gas Prices Fluctuate Widely And Low Oil And Gas Prices Could Adversely Affect Our Financial Results

There is no assurance that there will be any market for oil or gas produced from the exploration blocks in which we hold an interest and the ability to deliver production from any wells may be constrained by the absence of or limitations on collector systems and pipelines. Future price fluctuations could have a major impact on future revenue from any oil and gas produced on these exploration blocks and could materially affect the return from and the financial viability of any reserves claimed. Historically, oil and gas prices have been volatile, and they are likely to continue to be volatile in the future. A significant decrease in oil and gas prices could have a material adverse effect on our cash flow and profitability and would adversely affect our financial condition and results of operations. Prices for oil and gas fluctuate in response to relatively minor changes in the supply and demand for oil and gas, market uncertainty and a variety of additional factors beyond our control, including:

- political conditions and civil unrest in oil producing regions, including the Middle East and elsewhere;

- the domestic and foreign supply of oil and gas;
- quotas imposed by the Organization of Petroleum Exporting Countries upon its members;
  - the level of consumer demand;
    - weather conditions;
  - domestic and foreign government regulations;
  - the price and availability of alternative fuels;
    - overall economic conditions; and
    - international political conditions.

In addition, various factors may adversely affect the ability to market oil and gas production from our exploration blocks, including:

- the capacity and availability of oil and gas gathering systems and pipelines;
- the ability to produce oil and gas in commercial quantities and to enhance and maintain production from existing wells and wells proposed to be drilled;
- the proximity of future hydrocarbon discoveries to oil and gas transmission facilities and processing equipment (as well as the capacity of such facilities);
- the effect of governmental regulation of production and transportation (including regulations relating to prices, taxes, royalties, land tenure, allowable production, importing and exporting of oil and condensate and matters associated with the protection of the environment);
  - the imposition of trade sanctions or embargoes by other countries;
  - the availability and frequency of delivery vessels;

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- changes in supply due to drilling by others;
- the availability of drilling rigs and qualified personnel; and
  - changes in demand.

**Our Future Performance Depends Upon Our Ability And The Ability Of The Ventures In Which We Participate To Find Or Acquire Oil And Gas Reserves That Are Economically Producing**

Our success in developing our oil and gas exploration and development activities will be dependent upon establishing, through our participation with others in joint ventures and other similar activities, reserves of oil and gas and maintaining and possibly expanding the levels of those reserves. We and the joint ventures in which we may participate may not be able to locate and thereafter replace reserves from exploration and development activities at acceptable costs. Lower prices of oil and gas may further limit the kinds of reserves that can be developed at an acceptable cost. The business of exploring for, developing or acquiring reserves is capital intensive. We may not be able to make the necessary capital investment to enter into joint ventures or similar arrangements to maintain or expand our oil and gas reserves if capital is unavailable to us and the ventures in which we participate. In addition, exploration and development activities involve numerous risks that may result in dry holes, the failure to produce oil and gas in commercial quantities, the inability to fully produce discovered reserves and the inability to enhance production from existing wells.

We expect that we will continually seek to identify and evaluate joint venture and other exploration opportunities for our participation as a joint venture participant or through some other arrangement. Our ability to enter into additional exploration activities will be dependent to a large extent on our ability to negotiate arrangements with others and with various governments and governmental entities whereby we can be granted a participation in such ventures. There can be no assurance that we will be able to locate and negotiate such arrangements, have sufficient capital to meet the costs involved in entering into such arrangements or that, once entered into, that such exploration activities will be successful. Successful acquisition of exploration opportunities can be expected to require, among other things, accurate assessments of potential recoverable reserves, future oil and gas prices, projected operating costs, potential environmental and other liabilities and other factors. Such assessments are necessarily inexact, and as estimates, their accuracy is inherently uncertain. We cannot assure you that we will successfully consummate any further exploration opportunities or joint venture or other arrangements leading to such opportunities.

**Estimating Reserves And Future Net Revenues Involves Uncertainties And Oil And Gas Price Declines May Lead To Impairment Of Oil And Gas Assets**

We do not claim any material proved or probable reserves of oil or natural gas as at December 31, 2011. Any reserve information that we may provide in the future will represent estimates based on reports prepared by independent petroleum engineers, as well as internally generated reports. Petroleum engineering is not an exact science. Information relating to proved oil and gas reserves is based upon engineering estimates derived after analysis of information we furnish or furnished by the operator of the property. Estimates of economically recoverable oil and gas reserves and of future net cash flows necessarily depend upon a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, the assumed effects of regulations by governmental agencies and assumptions concerning future oil and gas prices, future operating costs, severance and excise taxes, capital expenditures and work-over and remedial costs, all of which may in fact vary considerably from actual results. Oil and gas prices, which fluctuate over time, may also affect proved reserve estimates. For these reasons, estimates of the economically recoverable quantities of oil and gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of the future net cash flows expected therefrom prepared by different engineers or by the same engineers at different times may vary substantially. Actual production, revenues and expenditures with respect to reserves we may claim will likely vary from estimates, and such variances may be material. Inaccuracies in estimates of proved undeveloped reserves or the inability to fund development could result in substantially reduced reserves. In addition, the timing of receipt of

estimated future net revenues from proved undeveloped reserves will be dependent upon the timing and implementation of drilling and development activities estimated by us for purposes of the reserve report.

Quantities of proved reserves are estimated based on economic conditions in existence in the period of assessment. Lower oil and gas prices may shorten economic lives of certain fields because it becomes uneconomic to produce all recoverable reserves on such fields, thus reducing proved property reserve estimates. If such revisions in the estimated quantities of proved reserves occur, it will have the effect of increasing the rates of depreciation, depletion and amortization on the affected properties, which would decrease earnings or result in losses through higher depreciation, depletion and amortization expense. The revisions may also be sufficient to trigger impairment losses on certain properties that would result in a further non-cash charge to earnings.

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The Issuance To The Israel Land Development Company – Energy Ltd. Of The Common Stock Issuable Upon Conversion Of The Warrants And The Purchase Of Units Would Constitute A Change Of Control Of GeoGlobal

On November 21, 2011, we closed a private placement transaction with The Israel Land Development Company – Energy Ltd. (“ILDE”) (the “Transaction”) and entered into certain other agreements in connection therewith (together, the “Transaction Agreements”). The Transaction consisted of two parts. The first tranche closed on November 21, 2011 and involved the issuance by us of 16,466,639 shares of Common Stock to ILDE for US\$3,951,993. The second tranche is anticipated to close on or before March 29, 2012 and involves the exchange of 32,740,479 shares of Common Stock, the issuance of 16,466,639 warrants to purchase shares of our Company’s common stock (the “Warrants”) and the potential issuance of 16,466,639 units, each consisting of (i) one share of our Common Stock and (ii) a Warrant (the “Units”).

Immediately following the closing of the Transaction, ILDE will own approximately 36.6% of the outstanding shares of our Common Stock and will have the right to acquire another approximately 26.9% of the outstanding shares of our Common Stock. If ILDE exercises all of its Warrants and purchases and exercises all of its Units, it would subsequently hold approximately 53.6% of our outstanding shares of Common Stock. Such an increase in ILDE’s percentage of ownership would constitute a change of control. ILDE would then have the ability to influence the outcome of any corporate action by us that requires stockholder approval, including, but not limited to, the election of directors, approval of merger transactions and the sale of all or substantially all of our assets. This influence and actual control may have the effect of discouraging offers to acquire us because any such consummation would likely require the consent of ILDE.

In addition, if ILDE exercises its rights to acquire more than 50% of the voting power of our Company, we would be considered a controlled company under the NYSE Amex listing standards. As such, the NYSE Amex corporate governance rules requiring that a majority of our board of directors and our entire nominating and compensation committees be independent would not apply. As a result, the ability of our independent directors to influence its business policies and affairs may be reduced.

If ILDE sells substantial amounts of our Common Stock in the public market, or investors perceive that these sales could occur, the market price of our Common Stock could be adversely affected.

The interests of ILDE, which is itself an oil and gas exploration company, may from time to time diverge from the interests of other GeoGlobal stockholders, particularly with regard to new investment opportunities.

### Our Control By Certain Directors And Executive Officers May Result In Those Persons Having Interests Divergent From Our Other Stockholders

As of March 27, 2012, our Directors and executive officers and their respective affiliates in the aggregate, beneficially hold 265,000 shares or approximately 0.25% of our outstanding Common Stock. One Director, Mr. Ohad Marani, is the Chief Executive Officer of ILDE. ILDE currently holds 16,466,639 shares of our Common Stock (18.14%) and therefore, Mr. Marani and ILDE possess significant influence over us. These persons may retain significant control over our present and future activities and our other stockholders and investors may be unable to meaningfully influence the course of our actions. These persons may have interests regarding future activities and transactions in which we engage which may diverge from the interests of our other stockholders. Such share ownership and control may also have the effect of delaying or preventing a change in control of us, impeding a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquiror from making a tender offer or otherwise attempting to obtain control of us which could have a material adverse effect on the market price of our common stock. Although management has no intention of engaging in such activities, there is also a risk that the existing management will be viewed as pursuing an agenda which is beneficial to themselves at the expense of other stockholders.



Risks Relating To The Market For Our Common Stock - Volatility Of Our Stock Price

The public market for our common stock has been characterized by significant price and volume fluctuations. There can be no assurance that the market price of our common stock will not decline below its current or historic price ranges. The market price may bear no relationship to the prospects, stage of development, existence of oil and gas reserves, revenues, earnings, assets or potential of our company and may not be indicative of our future business performance. The trading price of our common stock could be subject to wide fluctuations. Fluctuations in the price of oil and gas and related international political events can be expected to affect the price of our common stock. In addition, the stock market in general has experienced extreme price and volume fluctuations that have affected the market price for many companies which fluctuations have been unrelated to the operating performance of these companies. These market fluctuations, as well as general economic, political and market conditions, may have a material adverse effect on the market price of our common stock. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against such companies. Such litigation, if instituted, and irrespective of the outcome of such litigation, could result in substantial costs and a diversion of management's attention and resources and have a material adverse effect on our business, results of operations and financial condition.

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### Cautionary Statement For Purposes Of The “Safe Harbor” Provisions Of The Private Securities Litigation Reform Act Of 1995

With the exception of historical matters, the matters discussed in this Report are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Forward-looking statements made herein include, but are not limited to:

- statements in this Report regarding our plans and objectives relating to our future operations,
- plans and objectives regarding the exploration, development and production activities conducted on the exploration blocks in India, Israel and Colombia where we have interests,
- plans regarding drilling activities intended to be conducted through the ventures in which we are a participant, the success of those drilling activities and our ability and the ability of the ventures to complete any wells on the exploration blocks, to develop reserves of hydrocarbons in commercially marketable quantities, to establish facilities for the collection, distribution and marketing of hydrocarbons, to produce oil and natural gas in commercial quantities and to realize revenues from the sales of those hydrocarbons,
- our ability to maintain compliance with the terms and conditions of licenses and our production sharing and other contracts, including the related work commitments, to obtain consents, waivers and extensions under the terms of these licenses and production sharing and other contracts as and when required, and our ability to fund those work commitments,
- our plans and objectives to join with others or to directly seek to enter into or acquire interests in additional licenses and production sharing or other contracts in India, Israel, Colombia and elsewhere,
  - our assumptions, plans and expectations regarding our future capital requirements,
  - our plans and intentions to raise additional capital we require and our likelihood of success in that regard,
- the costs and expenses to be incurred in conducting exploration, well drilling, development and production activities, our estimates as to the anticipated annual costs of those activities and the adequacy of our capital to meet our requirements for our present and anticipated levels of activities are all forward-looking statements.

These statements appear, among other places, in Part I under the caption “Item 1A - Risk Factors” and in Part II under the caption “Item 7 - Management’s Discussion and Analysis of Financial Condition and Results of Operations”. If our plans fail to materialize, your investment will be in jeopardy.

- We cannot assure you that our assumptions or our business plans and objectives will prove to be accurate or be able to be attained.
- We cannot assure you that the exploratory drilling to be conducted on the exploration blocks in which we hold an interest will result in a discovery of reserves of hydrocarbons or that any hydrocarbons discovered will be in commercially recoverable quantities. In addition, the realization of any revenues from commercially recoverable hydrocarbons is dependent upon the ability to deliver, store and market any hydrocarbons discovered.
- Our ability to realize material revenues cannot be assured. Our ability to successfully drill, test and complete significant numbers of producing wells cannot be assured.
- We cannot assure you that we will have available the capital required to meet our plans and objectives at the times and in the amounts required or we will have available to us the amounts we are required to fund under the terms of the licenses or production sharing and other contracts we are a party to. We cannot assure you that we will be successful in raising the additional capital we currently require.
- We cannot assure you that we will be successful in joining any further ventures seeking to be granted licenses or production sharing or other contracts in India, Israel, Colombia or elsewhere or that we will be successful in acquiring interests in existing ventures.
- We cannot assure you that we will obtain all required consents, waivers and extensions from a governmental or regulatory body in India, Israel or Colombia as and when required to maintain compliance with the licenses or production sharing or other contracts we have entered into, that we may not be adversely affected by any delays we may experience in receiving those consents, waivers and extensions, and that we may not incur liabilities under the production sharing or other contracts for our failure to maintain compliance with the requirements of and timely complete the related work programs.

- We cannot assure you that GSPC will not be successful in its efforts to obtain payment from us on account of exploration costs it has expended on the KG Offshore Block for which it asserts we are liable or otherwise seek to hold us in breach of the PSC or commence arbitration proceedings against us and be successful in its assertion that it can terminate our contract with them or the Government of India.
- We cannot assure you of our ability to meet our goals and objectives. The consequences to us from adverse developments in general economic or capital market conditions, events having international consequences, or military or terrorist activities could have a material adverse effect on us.

An investment in shares of our common stock involves a high degree of risk. There can be no assurance that the exploratory drilling to be conducted on the exploration blocks in which we hold an interest will result in any discovery of reserves of hydrocarbons or that any hydrocarbons that are discovered will be in commercially recoverable quantities. In addition, the realization of any revenues from commercially recoverable hydrocarbons is dependent upon the ability to deliver, store and market any hydrocarbons that are discovered.

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Our inability to meet our goals and objectives or the consequences to us from adverse developments in general economic or capital market conditions, events having international consequences, or military or terrorist activities could have a material adverse effect on us. We caution you that various risk factors accompany those forward-looking statements and are described, among other places, under the caption “Risk Factors” herein. They are also described in our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. These risk factors could cause our operating results, financial condition and ability to fulfill our plans to differ materially from those expressed in any forward-looking statements made in this Report and could adversely affect our financial condition and our ability to pursue our business strategy and plans.

## Item 1B. Unresolved Staff Comments

As of December 31, 2011 we did not have any unresolved comments from the SEC staff that were received 180 or more days prior to year-end.

## Item 2. Properties

Our corporate head office is located at Suite #200, 625 – 4 Avenue SW, Calgary, Alberta, T2P 0K2 Canada. These premises are leased for a term of 35 months ending January 31, 2013 at an annual rental of approximately \$165,000 for base rent and operating costs. These premises include approximately 3,515 square feet which we consider adequate for our present activities.

Our India operations office is located at 304 & 305, Third floor, IT Tower – II Infocity, Gandhinagar, 382 009 India. We purchased these premises which are part of an office condominium complex. The premises include approximately 11,203 square feet which we consider adequate for our activities. The annual operating and maintenance cost of these premises is approximately \$11,000.

Our Israel operations office is located at 2nd Floor, 14 Shenkar Street, Herzliya, Israel, 46733. These premises are leased up to July 12, 2012 with a one year extension, at an annual rental of approximately \$84,000 for base rent and operating costs. These premises include approximately 3,500 square feet which we consider adequate for our present activities.

Our interests in oil and gas properties are described under “Item 1 - Business”.

## Summary of Oil and Gas Reserves as of December 31, 2011

## Chapman Petroleum Reserve and Economic Evaluation Oil and Gas Property Report

As a result of the approval of the Tarapur 1 field development plan by the Management Committee in April 2009 and completion of an independent reserve and economic evaluation of oil and gas properties in the Tarapur field in India performed by Chapman Petroleum Engineering Ltd. of Calgary, Alberta, Canada for an effective date of January 1, 2012, we estimate reserves in the Tarapur 1 field as at December 31, 2011 as follows:

| Reserves Category   | Oil (MBbls) | Natural Gas (MMcf) |
|---------------------|-------------|--------------------|
| <b>PROVED</b>       |             |                    |
| Developed           | 23          | 59                 |
| Undeveloped         | 228         | 138                |
| <b>TOTAL PROVED</b> | <b>251</b>  | <b>197</b>         |
| <b>Probable</b>     |             |                    |
| Developed           | 217         | 312                |
| Undeveloped         | 260         | 273                |

|             |    |    |
|-------------|----|----|
| Possible    |    |    |
| Developed   | -- | -- |
| Undeveloped | -- | -- |

This report includes all of the reserves owned by the Company.

Since the completion of the independent reserve report dated January 1, 2011 by Chapman Petroleum Engineering Ltd. additional reserves have been added to the proved undeveloped reserves category in the Tarapur 1 field. These changes result from the currently producing wells as well as the development and refinement of horizontal, multi-fracture wellbore technology. This technology has been applied to the Tarapur reservoir and numerous analogous fields since the January 1, 2011 Chapman Petroleum Engineering Ltd. report.

#### Proved Reserves

Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs, and under existing economic conditions, operating methods and government regulations prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether determinable or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

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## Probable Reserves

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

## Possible Reserves

Possible reserves include those additional reserves that are less certain to be recovered than probable reserves.

## Drilling Activity

During the 2011 drilling program, exploratory drilling activity consisted of two gross completed wells (seven in 2010 and twenty in 2009). The development drilling activity consisted of one gross completed well (zero in 2010 and 2009) and the appraisal drilling activity consisted of one gross completed well (zero in 2010 and 2009). The following table sets forth information as to wells completed. All of these wells have been drilled under the terms of our PSCs in India during the periods indicated. We have not drilled any wells in Israel or Colombia.

|                | Net Exploratory |      |       | Net Development |     |       | Net Appraisal |     |       | Total |
|----------------|-----------------|------|-------|-----------------|-----|-------|---------------|-----|-------|-------|
|                | Productive      | Dry  | Total | Productive      | Dry | Total | Productive    | Dry | Total |       |
| 2011           | 0               | .50  | .50   | 0.05            | 0   | 0.05  | 0.05          | 0   | 0.05  | 0.60  |
| 2010           | 0.50            | 0.45 | 0.95  | 0               | 0   | 0     | 0             | 0   | 0     | 0.95  |
| 2009           | 1.14            | 1.00 | 2.14  | 0               | 0   | 0     | 0             | 0   | 0     | 2.14  |
| 2008 and prior | 4.46            | 3.85 | 8.31  | 0.84            | 0   | 0.84  | 0             | 0   | 0     | 9.15  |
| Total          | 6.1             | 5.8  | 11.9  | 0.89            | 0   | 0.89  | 0.05          | 0   | 0.05  | 12.84 |

A gathering system and oil tank storage facilities exist within the Tarapur 1 Discovery Area which encompasses six oil wells. On the day of December 31, 2011, we had one well (net 0.05) which was in the process of drilling. That well has not been included in the above table as it was not yet completed at December 31, 2011.

## Productive Wells

Productive wells are defined as producing wells and wells mechanically capable of production. As of December 31, 2011 the Company had an ownership in productive wells completed under the terms of our PSCs as follows:

|       | Oil Wells | Gas Wells | Total |
|-------|-----------|-----------|-------|
| Gross | 45        | 14        | 59    |
| Net   | 6.25      | 0.79      | 7.04  |

## Acreage

At December 31, 2011 we have an interest in approximately 3,187,028 gross acres (1,609,645 net acres) in both developed and undeveloped acreage covering the production sharing and other contracts we are party to.

## Contract Interest in Developed Acreage

At December 31, 2011 we hold an interest in one lease within our Tarapur Block consisting of approximately 2.14 square kilometers (529 gross acres and 74 net acres) that is deemed developed or acreage within an approved Field Development Plan assignable to productive wells. For purposes of the acreage tables as set out below, one square kilometer is converted to approximately 247.105 acres.

|  | Gross acres | Net acres |
|--|-------------|-----------|
| Contract Interest in Developed Acreage |             |           |
| Cambay Basin Blocks                    |             |           |
| Tarapur                                | 529         | 74        |
| Total Developed Acreage                | 529         | 74        |

#### Contract Interests in Undeveloped Acreage

Under the terms of the ten PSCs in India, the three licenses in Israel and the two licenses in Colombia to which we are a party, we have an interest in approximately 3,186,499 gross acres (1,609,571 net acres) of undeveloped acreage as of December 31, 2011 after reflecting relinquishment of acreage as required under the production sharing and other contracts. Undeveloped acreage encompasses those leased acres on which wells have not been drilled or completed to a point that would permit the production of economic quantities of oil or gas regardless of whether such acreage contains proved reserves. Substantial work commitments must be performed pursuant to each of these production sharing or other contracts before we have any leasehold, concession or other interest in such acreage and there can be no assurance that our exploration activities will result in leases being granted. Failure to fulfill work commitments or the relinquishment of acreage upon the election to proceed to the next phase of exploration could result in the loss of acreage pursuant to the relinquishment provisions of the PSC. See “Item 1 – Business - Certain Terms of Our PSCs”. No leases to any of the undeveloped acreage have been granted and there can be no assurance that we will be granted a leasehold or other interest in this acreage in the future. Under the terms of the production sharing and other contracts, following the completion of a development plan for a discovery the parties are to apply for a lease from the relevant government authority for the area to be developed.

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|   | Gross acres      | Net acres        |
|---|------------------|------------------|
| Contract Interests in Undeveloped Acreage |                  |                  |
| India                                     |                  |                  |
| KG Offshore (1) (3)                       | 126,889          | 6,344            |
| KG Onshore (2)                            | 135,661          | 13,566           |
| Mehsana (4)                               | 0                | 0                |
| Sanand/Miroli (3)                         | 9,835            | 983              |
| Ankleshwar (3)                            | 42,502           | 4,250            |
| Tarapur (5)                               | 299,245          | 59,849           |
| DS 03 (3)                                 | 584,651          | 584,651          |
| DS 04                                     | 654,582          | 654,582          |
| RJ Block 20                               | 542,643          | 135,661          |
| RJ Block 21                               | 328,650          | 82,163           |
| Total India Acreage                       | 2,724,658        | 1,542,049        |
| Israel                                    |                  |                  |
| Myra                                      | 97,854           | 4,893            |
| Sara                                      | 99,831           | 4,992            |
| Samuel                                    | 89,205           | 40,142           |
| Total Israel Acreage                      | 286,890          | 50,027           |
| Colombia                                  |                  |                  |
| PUT 6                                     | 43,738           | 4,374            |
| PUT 7                                     | 131,213          | 13,121           |
| Total Colombia Acreage                    | 174,951          | 17,495           |
| <b>TOTAL UNDEVELOPED ACREAGE</b>          | <b>3,186,499</b> | <b>1,609,571</b> |

(1) Excludes acreage that is subject to the Participating Interest Agreement with Roy Group (Mauritius) Inc.

(2) Based on a 10% participating interest

(3) Remaining acreage after relinquishment

(4) Relinquished entire block in October 2011

(5) Based on a 20% participating interest

Item 3. Legal Proceedings

There are no legal proceedings pending against us.

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted during the fourth quarter of the year ended December 31, 2011 to a vote of our securityholders through the solicitation of proxies or otherwise.





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## PART II

## Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

## Market Information

Our Common Stock is traded on the NYSE Amex (formerly the American Stock Exchange) under the symbol GGR. The following table sets forth the quarterly high and low sales price for the period January 1, 2010 through March 27, 2012.

| Year | Calendar Quarter                     | High (\$) | Low (\$) |
|------|--------------------------------------|-----------|----------|
| 2010 | First Quarter                        | 2.80      | 1.50     |
|      | Second Quarter                       | 1.95      | 0.95     |
|      | Third Quarter                        | 1.11      | 0.61     |
|      | Fourth Quarter                       | 1.09      | 0.66     |
| 2011 | First Quarter                        | 1.00      | 0.63     |
|      | Second Quarter                       | 0.66      | 0.41     |
|      | Third Quarter                        | 0.50      | 0.23     |
|      | Fourth Quarter                       | 0.37      | 0.18     |
| 2012 | First Quarter (up to March 27, 2012) | 0.29      | 0.20     |

On March 27, 2012 the closing sales price for our Common Stock as reported on the

NYSE Amex was \$0.20.

## Holders

As of March 27, 2012 we had approximately 110 shareholders of record. This does not include the number of shareholders of our Common Stock held beneficially in street name.

## Dividends

We did not pay any dividends on our Common Stock during the years ended December 31, 2011 and 2010 and we do not intend to pay any dividends on our Common Stock for the foreseeable future. Any determination as to the payment of dividends on our Common Stock in the future will be made by our Board of Directors and will depend on a number of factors, including future earnings, capital requirements, financial condition and future prospects as well as such other factors as our Board of Directors may deem relevant.

## Performance Graph

The following graph compares the performance of our Common Stock over the preceding five-year period. The following graph is presented as required by SEC rules. The comparison (change in year-end stock price plus reinvested dividends) assumes that \$100 was invested on December 31, 2006 in each of the shares of GeoGlobal Resources Inc., Cubic Energy, Inc., Abraxas Petroleum Corporation and the S&P 500 Index. It includes the reinvestment of any dividends, although we have never paid any cash dividends.

(1)Cubic Energy, Inc. is a NYSE/Amex listed company engaged in development and production in oil and gas in the United States. This Company falls under the same SIC code of "Drilling of Oil and Gas Wells" as GeoGlobal. It has a market capitalization of less than \$200.0 million and revenues of less than \$100.0 million. Therefore, we deem it

to be comparative to our company for these purposes.

- (2) Abraxas Petroleum Corporation is a NASDAQ listed company with operations principally in Texas and the Rocky Mountains and is engaged in exploration, development and production of natural gas and crude oil in Texas and Wyoming. Although this company has production and reserves, it has a market capitalization of less than \$200.0 million and revenues of less than \$100.0 million. Therefore, we also deem it to be comparative to our company for these purposes.

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The Performance Graph is not deemed to be “soliciting material” or filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or incorporated by reference in any documents so filed.

## Comparison of Cumulative Total Return

The following table sets forth the dollar amounts used in the above comparison:

|                          |       | 2006   | 2007     | 2008     | 2009     | 2010     | 2011     |
|--------------------------|-------|--------|----------|----------|----------|----------|----------|
| GeoGlobal Resources Inc. | GGR   | 100.00 | 63.0573  | 20.3822  | 26.3694  | 10.0637  | 2.8025   |
| S&P 500 Index            | \$INX | 100.00 | 103.5297 | 63.6854  | 78.6224  | 88.6724  | 88.6696  |
| Cubic Energy, Inc.       | QBC   | 100.00 | 190.0000 | 168.7500 | 186.2500 | 125.0000 | 78.7500  |
| Abraxas Petroleum Corp.  | AXAS  | 100.00 | 124.9193 | 23.3010  | 62.1360  | 147.8966 | 106.7963 |

## Recent Sales of Unregistered Securities

On November 21, 2011, the Company entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") with The Israel Land Development Corporation – Energy Ltd. ("ILDE"). Under the terms of the Stock Purchase Agreement, on November 21, 2011, ILDE purchased and we issued 16,466,639 shares of common stock, par value \$0.001 per share (the "Shares"), representing 19.9% of our issued and outstanding shares of common stock immediately prior to the issuance to ILDE under the Stock Purchase Agreement. The aggregate consideration received from the sale was \$3.9 million. The Company used the proceeds from the Stock Purchase Agreement to fund the Company's share, owned through its fully owned subsidiary GeoGlobal Resources (India) Inc., in the exploration and development activities of the Company's two Israeli licenses, known as the Myra and Sara licenses. Rodman and Renshaw, LLC acted as the placement agent for the transaction and in connection therewith we paid them \$234,000 as compensation.

The Shares were sold without registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on Section 4(2) of the Securities Act and Regulation D promulgated thereunder. ILDE is an accredited investor within the meaning of Rule 501 of Regulation D, it acquired the Shares for its own account with no intention of distributing or reselling the Shares in violation of the securities laws of the United States and the Shares were sold without any general solicitation by the Company or its representatives.

Also on November 21, 2011, the Company entered into a Registration Rights Agreement with ILDE pursuant to the terms of which the Company filed a Form S-3 Registration Statement on November 25, 2011 (as amended by Amendment No. 1, filed January 13, 2012, the "Registration Statement") (file no. 333-178191), to register the Shares and thereby enable the resale of such Shares. The Company will not receive any proceeds from the sale of the Shares under such Registration Statement.

All sales of unregistered securities prior to October 1, 2011 during the fiscal year ended December 31, 2011, and all other sales of unregistered securities sold by us within the past three years have been previously disclosed.

## Purchases of Equity Securities by the Issuer and Affiliated Purchasers

No purchases of shares of our Common Stock were made by us or on our behalf or by any “affiliated purchaser”, as defined in Rule 10b-18(a)(3) under the U.S. Securities Exchange Act of 1934, as amended, during the quarter ended December 31, 2011.

Item 6. Selected Financial Data

Set forth below is certain financial information for each of the five years ended December 31, 2011, 2010, 2009, 2008 and 2007 taken from our audited financial statements for those years.

|  | December 31, |            |            |            |            |
|--|--------------|------------|------------|------------|------------|
|  | 2011         | 2010       | 2009       | 2008       | 2007       |
| Oil and gas sales                      | 559,551      | 790,342    | 661,922    | --         | --         |
| Interest Income                        | 32,969       | 52,607     | 299,550    | 1,148,479  | 2,165,920  |
| Impairment of oil and gas properties   | 6,870,000    | 13,789,000 | --         | 10,098,015 | --         |
| Net loss and comprehensive loss        | 12,607,841   | 18,788,624 | 4,424,247  | 13,313,915 | 1,543,110  |
| Net loss per share – basic and diluted | 0.15         | 0.25       | 0.09       | 0.20       | 0.04       |
| Current assets                         | 71,047,262   | 12,500,689 | 16,532,345 | 25,904,515 | 48,406,887 |
| Property and equipment                 | 42,580,105   | 41,375,680 | 46,813,004 | 35,160,814 | 27,256,945 |
| Total assets                           | 114,967,629  | 58,894,369 | 70,270,349 | 71,865,329 | 80,219,312 |
| Current liabilities                    | 72,978,114   | 8,544,120  | 10,053,780 | 9,211,020  | 6,329,980  |
| Total liabilities                      | 73,744,826   | 9,285,264  | 10,828,780 | 9,844,618  | 6,648,902  |
| Stockholders' equity                   | 41,222,803   | 49,609,105 | 59,441,569 | 62,020,711 | 73,570,410 |
| Cash dividends                         | - 0 -        | - 0 -      | - 0 -      | - 0 -      | - 0 -      |

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## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

## General

The following management's discussion and analysis of our financial condition and results of operations should be read in conjunction with, and is qualified in its entirety by, the more detailed information including our Consolidated Financial Statements and the related Notes appearing elsewhere in this Annual Report. This Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from the results and business plans discussed in the forward-looking statements. Factors that may cause or contribute to such differences include those discussed under "Item 1A - Risk Factors" as well as those discussed elsewhere in this Annual Report.

## Our Business Activities

The Company is engaged, through its subsidiaries, in the exploration for and development of oil and natural gas reserves. At December 31, 2011, we have not yet achieved our planned principal operations from our oil and gas exploration activities which commenced on August 29, 2003. Accordingly, our activities are considered to be those of a "Development Stage Enterprise". The recoverability of the costs we have incurred to date is uncertain and dependent upon achieving significant commercial production and sale of hydrocarbons or sale of exploration assets, our ability to obtain sufficient financing to fulfill our obligations under the production sharing or other contracts we are a party to with respect to oil and natural gas exploration and development activities in India, Israel and Colombia and upon future profitable operations. At present, our activities are being undertaken in four geological basins located offshore and onshore in India, one geological basin located offshore in Israel and one geological basin located onshore in Colombia where reserves of oil or natural gas are believed by our management to exist.

The exploration rights pursuant to PSCs we have entered into with the Government of India are located in the following areas:

- The Krishna Godavari Basin offshore and onshore in the State of Andhra Pradesh in south eastern India;
  - The Cambay Basin onshore in the State of Gujarat in western India;
- The Deccan Syncline Basin onshore in the State of Maharashtra in west central India; and
  - The Bikaner-Nagaur Basin onshore in the State of Rajasthan in north western India.

The exploration rights pursuant to licenses we have been granted in Israel are located in the Levantine Basin located off the coast of Israel with the licenses varying in distances between 6 and 25 miles offshore.

We have entered into a Memorandum of Understanding (MOU) with respect to two exploration blocks located in the Putumayo Basin onshore in southwest Colombia.

## Results of Operations for the Years ended December 31, 2011 and 2010

For the year ended December 31, 2011 we incurred a net loss of \$12.6 million as compared to a net loss of \$18.8 million for the year ended December 31, 2010. The decrease in the net loss is mostly a result of recognizing impairment of oil and gas properties in 2010 of \$13.8 million compared to \$6.9 million in the year 2011.

## Oil and gas operations

|                          | Year ended<br>December<br>31, 2011 | Year ended<br>December<br>31, 2010 | Year ended<br>December<br>31, 2009 |
|--------------------------|------------------------------------|------------------------------------|------------------------------------|
| Oil Production (barrels) | 4,710                              | 9,161                              | 10,856                             |
| Oil Sales (barrels)      | 4,390                              | 8,496                              | 9,828                              |
| Oil Sales                | \$468,706                          | \$632,734                          | \$661,922                          |

|                              |           |           |           |
|------------------------------|-----------|-----------|-----------|
| Average Oil Price per Barrel | \$106.76  | \$74.48   | \$67.35   |
| Gas Sales (Mcf)              | 10,631    | 19,603    | --        |
| Gas Sales                    | \$90,845  | \$157,608 | \$--      |
| Average Gas Price per Mcf    | \$8.55    | \$8.04    | \$--      |
| Operating Costs              | \$138,341 | \$173,297 | \$98,878  |
| Operating Costs per BOE      | \$20.84   | \$14.38   | \$9.11    |
| Depletion                    | \$333,500 | \$767,000 | \$293,700 |
| Depletion per BOE            | \$50.23   | \$63.63   | \$27.05   |

The calculation of barrels of oil equivalent (BOE) is based on a conversion ratio of six thousand cubic feet (Mcf) of natural gas to one barrel (bbl) of crude oil to estimate relative energy content. Readers are cautioned that this conversion may be misleading, particularly when used in isolation, since the 6Mcf:1 bbl ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent the value equivalency at the wellhead.

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### Oil sales

All of our oil sales are derived from production in India. With the approval of the Tarapur 1 field development plan by the Management Committee, three wells began production in mid-May 2009, two in September 2009 and one in January 2010. There are ten additional wells which are drilled, tested and awaiting tie-in to the oil tank storage facilities. Oil sales for the year ended December 31, 2011 were \$0.469 million or \$106.76 per barrel compared to oil sales for the year ended December 31, 2010 of \$0.633 million or \$74.48 per barrel. Oil sales are currently based on the spot price based on discount to the Nigeria Bonny Light Crude bench mark. To date, none of our production has been hedged.

### Gas sales

In addition to the crude oil production from the six wells in Tarapur, associated natural gas was contained and sold commencing January 2010. Prior thereto, the associated natural gas was flared off. As a result, total gas sales for the year ended December 31, 2011 was \$0.091 million or \$8.55 per Mcf as compared to \$0.158 million or \$8.04 per Mcf for the year ended December 31, 2010. There is one gas well awaiting approval for the development plan. All our associated natural gas is sold to local markets at a firm contract price of \$7.00 per Mcf adjusted for rebate/premium on account of calorific value.

### Interest income

Interest income decreased to \$0.033 million for the year ended December 31, 2011 as compared to \$0.053 million for the same period in 2010. This decrease is directly related to the decrease in the amount of our invested cash balances.

### Operating costs

Operating costs for the year ended December 31, 2011 were \$0.138 million or \$20.84 per BOE, compared to \$0.173 million or \$14.38 per BOE for the year ended December 31, 2010. The decrease in operating costs and the increase in the operating cost per barrel is a direct result of the decrease in the production from 2010 to 2011. The operating costs include handling and processing charges, transportation costs, utilities, maintenance and tank rental charges and contain a fixed and variable portion.

### General and administrative

Our general and administrative expenses increased to \$3.657 million from \$3.193 million. These general and administrative expenses include costs related to the corporate head office including administrative salaries and services, directors' fees, rent and office costs, insurance, bank guarantee fees, NYSE Amex listing and filing fees, investor relation services and transfer agent fees and services. Also included in our general and administrative expenses are our compensation costs for stock-based compensation arrangements with employees and directors which are being expensed over their respective vesting periods of the related option grants. The majority of the increase in the general and administrative expenses is a result of an increase in directors' fees of \$0.110 million combined with an increase in salaries and benefits of \$0.399 million, travel and hotel of \$0.100 million, and office rent and parking of \$0.088 million. These increases are consistent with the restructuring of our management team including the addition of a new executive officer combined with our stepping into new ventures and offices in Israel. These increases were offset by an increase of \$.371 million in our overhead recovery from our Israel project.

### Consulting fees

Our consulting fees increased to \$0.866 million during the year ended December 31, 2011 from \$0.652 million in the prior year. Consulting fees include fees and expenses we incurred in employing various technical and corporate consultants who advised us on a variety of matters. A portion of this increase is a result of consulting fees paid to a corporation wholly owned by Mr. Roy, whereby we expensed \$0.268 million during the year ended December 31, 2011 versus \$0.209 million during the year ended December 31, 2010 along with \$0.100 million paid to our investment advisors during the year ended December 31, 2011 which was not paid in the prior year. Other increases were a result of our additional activities in Israel and India offset by a small decrease for stock-based compensation



with non-employee consultants for the year ended December 31, 2011 combined with a decrease as a result of the cancellation in August 2010 of the agreement to pay consulting fees to D.I. Investments Ltd., whereby we expensed \$nil during the year ended December 31, 2011 versus \$0.134 million during the year ended December 31, 2010.

#### Professional fees

Professional fees increased to \$1.168 million during the year ended December 31, 2011 from \$0.828 million during the year ended December 31, 2010. Professional fees include those paid to our auditors for pre-approved audit, accounting and tax services and fees paid to our legal advisors primarily for services provided with regard to filing various periodic reports and other documents and reviewing our various oil and gas and other agreements. Of this increase, \$0.154 million is attributable to an increase in legal fees due to our increase in activities in Israel and Colombia combined with reviewing amendments to certain disclosure documents as a result of an SEC review and an increase of \$0.144 million as a result of professional fees which were paid to various tax advisors to complete a review of our corporate structure with a goal to ensure tax compliance, strategy and efficiency across all jurisdictions in which we operate.

#### Depletion and depreciation

Depletion and depreciation decreased to \$0.380 million during the year ended December 31, 2011 from \$0.824 million during the year ended December 31, 2010. As a result of our production from the Tarapur 1 field we had depletion of \$0.334 million or \$50.23 per BOE for the year ended December 31, 2011 as compared to depletion of \$0.767 million or \$63.63 per BOE for the year ended December 31, 2010. This decrease in depletion is mostly attributable to the substantial decrease in the amortization base for the depletion calculation as a result of impairment of oil and gas properties recognized in 2010.

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### Impairment of oil and gas properties

During the year 2011, we recognized impairment of oil and gas properties of \$6.870 million as compared to \$13.789 million during the year ended December 31, 2010. Impairment of oil and gas properties in both 2011 and 2010 was a result of assessing our Indian properties on an individual basis considering various factors, including land relinquishment and the absence of hydrocarbons in certain exploratory wells.

### Capitalized overhead on oil and gas properties

We capitalize overhead costs directly related to our exploration activities in India. During the year ended December 31, 2011, these capitalized overhead costs amounted to \$0.605 million as compared to \$0.599 million during the year ended December 31, 2010. The treatment of capitalized overhead costs remained consistent with the prior year and includes costs relating to personnel, consultants, their travel, necessary resources and stock-based compensation directly associated with the advancement of our oil and gas interests.

### Results of Operations for the Years ended December 31, 2010 and 2009

For the year ended December 31, 2010 we incurred a net loss of \$18.789 million as compared to a net loss of \$4.424 million for the year ended December 31, 2009. The increase in the net loss is mostly a result of realizing an asset impairment in 2010 of \$13.789 million compared with no asset impairment in the year 2009.

### Oil sales

All of our oil sales are derived from production in India. With the approval of the Tarapur 1 field development plan by the Management Committee, three wells began production in mid-May 2009, two in September 2009 and one in January 2010. There are ten additional wells which are drilled, tested and awaiting tie-in to the oil tank storage facilities. Oil sales for the year ended December 31, 2010 were \$0.633 million or \$74.48 per barrel compared to oil sales for the year ended December 31, 2009 of \$0.662 million or \$67.35 per barrel. Oil sales are currently based on a discount to the spot price based on the Nigeria Bonny Light Crude bench mark. To date, none of our production has been hedged.

### Gas sales

In addition to the crude oil production from the six wells in Tarapur, associated natural gas was contained and sold commencing January 2010. Prior thereto, the associated natural gas was flared off. As a result, total gas sales for the year ended December 31, 2010 was \$0.158 million or \$8.04 per Mcf as compared to \$nil for the year ended December 31, 2009. There is one gas well awaiting approval for the development plan.

### Interest income

Interest income decreased to \$0.053 million for the year ended December 31, 2010 as compared to \$0.300 million for the same period in 2009. This decrease is directly related to the decrease in the amount of our invested cash balances.

### Operating costs

Operating costs for the year ended December 31, 2010 were \$0.173 million or \$18.92 per barrel, compared to \$0.099 million or \$9.11 per barrel for the year ended December 31, 2009. The operating costs include handling and processing charges, transportation costs, utilities, maintenance and tank rental charges and contain a fixed and variable portion.

### General and administrative

Our general and administrative expenses increased to \$3.193 million from \$2.987 million. These general and administrative expenses include costs related to the corporate head office including administrative salaries and services, directors' fees, rent and office costs, insurance, bank guarantee fees, NYSE Amex listing and filing fees, investor relation services and transfer agent fees and services. Also included in our general and administrative

expenses are our compensation costs for stock-based compensation arrangements with employees and directors which are being expensed over their respective vesting periods of the related option grants. The majority of the increase in the general and administrative expenses is a result of an increase in directors' fees of \$0.232 million combined with an increase in salaries and benefits of \$0.270 million and travel and hotel of \$0.153 million. These increases are consistent with the restructuring of our management team including the addition of a new executive officer combined with our stepping into new ventures in Israel and Colombia. These increases were offset by a decrease in stock-based compensation costs from \$0.779 million to \$0.700 million for the same period in 2009. Further offsets to the increase were a result of a charge of \$0.264 million in 2009 for the warrant modification that was not incurred in the year ending December 31, 2010 as well as a recovery of \$0.114 million as a result of an over accrual of estimated interest, penalties and related costs of \$0.214 million in regularizing our respective tax and regulatory filings in India.

#### Consulting fees

Our consulting fees decreased to \$0.652 million during the year ended December 31, 2010 from \$0.823 million in the prior year. Consulting fees include fees and expenses we incurred in employing various technical and corporate consultants who advised us on a variety of matters. This change is mostly attributable to the decrease for stock-based compensation with non-employee consultants for the year ended December 31, 2010 being \$0.017 million versus \$0.140 million for the year ended December 31, 2009. A portion of this decrease is also a result of consulting fees paid under our Technical Services Agreement which expired in August 2010 with a corporation wholly owned by Mr. Roy, whereby we expensed \$0.209 million during the year ended December 31, 2010 versus \$0.263 million during the year ended December 31, 2009. The balance of the decrease is a result of the cancellation in August 2010 of the agreement to pay consulting fees to D.I. Investments Ltd., whereby we expensed \$0.134 million during the year ended December 31, 2010 versus \$0.213 million for the same period in 2009.

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### Professional fees

Professional fees decreased to \$0.828 million during the year ended December 31, 2010 from \$1.085 million during the year ended December 31, 2009. Professional fees include those paid to our auditors for pre-approved audit, accounting and tax services and fees paid to our legal advisors primarily for services provided with regard to filing various periodic reports and other documents and reviewing our various oil and gas and other agreements. This decrease is mostly a result of professional fees which were paid to various tax advisors to complete a review of our corporate structure with a goal to ensure tax compliance, strategy and efficiency across all jurisdictions in which we operate during incurred in the year ended December 31, 2009 not incurred in 2010.

### Depletion and depreciation

Depletion and depreciation increased to \$0.824 million (\$83.72 per barrel) during the year ended December 31, 2010 from \$0.353 million (\$27.05 per barrel) during the year ended December 31, 2009. This increase is mostly attributable to the substantial increase in the amortization base for the depletion calculation as a result of the transfer of the abandoned well costs from unproven to proven properties combined with the decrease in the proved reserves based on an updated reserve report dated January 1, 2011 by Chapman Petroleum Engineering Ltd.

### Impairment of oil and gas properties

During the year 2010, we incurred asset impairment expenses of 13.789 million versus \$nil during the year ended December 31, 2009. In 2010, any impairment to exploration properties is transferred to our full cost pool which is subject to ceiling test limitations. No impairment was recognized under our ceiling test in 2009. Our asset impairment in 2010 consisted of \$13.789 million as a result of assessing our Indian properties on an individual basis considering various factors, including land relinquishment and the absence of hydrocarbons in certain exploratory wells. The exploration work programs have been completed on the four Cambay blocks which accounted for the majority of the impairment with the relinquishment of all lands where there is not a discovery, as well as the abandonment of twenty two wells in the fourth quarter of 2010. Further there was one well abandoned in one of the Rajasthan blocks. Since the result of this assessment indicated impairment, the related costs incurred were charged to the statement of operations.

### Capitalized overhead on oil and gas properties

We capitalize overhead costs directly related to our exploration activities in India. During the year ended December 31, 2010, these capitalized overhead costs amounted to \$0.599 million as compared to \$1.098 million during the year ended December 31, 2009. The decrease is mostly attributable to a decrease in the capitalized portion of stock-based compensation for our non-employee consultants directly related in our oil and gas exploration activities for the year ended December 31, 2010 of \$0.252 million versus \$0.662 million for the year ended December 31, 2009. The treatment of capitalized overhead costs remained consistent with the prior year and includes costs relating to personnel, consultants, their travel, necessary resources and stock-based compensation directly associated with the advancement of our oil and gas interests.

### Liquidity

Liquidity is a measure of a company's ability to meet potential cash requirements. We have historically met our capital requirements through the issuance of common stock as well as proceeds from the exercise of warrants and options to purchase common equity.

Our ability to continue as a going concern is dependent upon obtaining the necessary financing to complete further exploration and development activities and generate profitable operations from our oil and natural gas interests in the future. Our current operations are dependent upon the adequacy of our current assets to meet our current expenditure requirements and the accuracy of management's estimates of those requirements. Should those estimates be materially incorrect, our ability to continue as a going concern will be impaired. Our consolidated financial statements for the year ended December 31, 2011 have been prepared on a going concern basis, which contemplates the realization of

assets and the settlement of liabilities and commitments in the normal course of business. We have incurred a history of operating losses and negative cash flows from operations. These matters may raise doubt about our ability to continue as a going concern.

At December 31, 2011 our cash and cash equivalents were \$10.5 million (December 31, 2010 - \$7.8 million). The majority of this balance is being held in US funds. We have working capital deficiency of approximately \$1.9 million which raises doubt about our ability to continue as a going concern.

We expect to incur expenditures to further our exploration programs. Our existing cash balance and any anticipated cash flow from operating activities are not sufficient to satisfy our current obligations and meet our exploration commitments of \$16.9 million and \$39.8 million over the next twelve months ending December 31, 2012 and the three years ending December 31, 2014, respectively. In addition to our exploration commitments of \$16.9 million, we estimate the cost of maintaining current operations through December 31, 2012 to be approximately \$5.4 million.

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We are considering various alternatives with respect to raising additional capital to remedy any future shortfall in capital but to date have made no specific plans or arrangements. We deem it necessary to raise capital through equity markets, debt markets or other financing arrangements, including participation arrangements that may be available for continued exploration expenditures. Because of the early stage of our operations and our lack of any material oil and natural gas reserves, there can be no assurance this capital will be available and if it is not, we may be forced to substantially curtail or cease exploration, appraisal and development expenditures. We believe that we will be able to raise additional capital which combined with our available cash resources will be sufficient to maintain our current level of activities through the next fiscal year.

Should the going concern assumption not be appropriate and we are not able to realize our assets and settle our liabilities, commitments and contingencies in the normal course of operations, our consolidated financial statements would require adjustments to the amounts and classifications of assets and liabilities, and these adjustments could be significant. Our consolidated financial statements do not reflect the adjustments or reclassifications of assets and liabilities that would be necessary if we are unable to continue as a going concern.

Years ended December 31, 2011 and 2010

During the year ended December 31, 2011 our overall position in cash and cash equivalents increased by \$2.730 million, as compared to a net decrease in the comparable period of 2010 of \$8.544 million. These cash movements were attributable to the following activities:

Our net cash used in operating activities during the year ended December 31, 2011 was \$4.337 million as compared to \$4.067 million for the year ended December 31, 2010. This increase is mostly attributable to and consistent with our increase in our professional and consulting fees, combined with our increase in our general and administrative expenses for the year ending December 31, 2011 as compared to the prior year.

Cash provided by investing activities during the year ended December 31, 2011 was \$3.739 million as compared to cash used in investing activities of \$12.463 million during the year ended December 31, 2010. Funds of \$8.279 million were used for exploration activities as compared to \$9.040 million in 2010. The overall increase in cash provided by investing activities is attributable to funds we have received as cash calls from our Myra and Sara joint venture partners offset by the increase in the restricted deposits for funds held on behalf of the Myra and Sara joint venture partners.

Cash provided by financing activities for the year ended December 31, 2011 was \$3.327 million as compared to \$7.986 million during the year ended December 31, 2010. During the year ended December 31, 2011, 16,466,639 shares of common stock were issued to Israel Land Development Company – Energy Ltd. pursuant to a Stock Purchase Agreement for gross proceeds of \$3.952 million less share issuance of costs \$0.625 million compared to 2010 whereby 9,941,177 shares of common stock were issued pursuant to two private placement financings for gross proceeds of \$8.450 million less share issuance costs of \$0.464 million.

Years ended December 31, 2010 and 2009

During the year ended December 31, 2010 our overall position in cash and cash equivalents decreased by \$8.544 million, as compared to a net decrease in the comparable period of 2009 of \$9.138 million. These cash movements were attributable to the following activities:

Our net cash used in operating activities during the year ended December 31, 2010 was \$4.067 million as compared to \$2.119 million for the year ended December 31, 2009. This increase is mostly attributable to and consistent with the decrease in our current liabilities at December 31, 2010 to \$8.544 million from \$10.054 million at December 31, 2009. The remainder of the decrease is comprised of the increase in the cash expenditures combined with a decline in our revenue and other income from \$0.961 for the year ended December 31, 2009 to \$0.843 million for the year ended

December 31, 2010.

Cash used in investing activities during the year ended December 31, 2010 was \$12.463 million as compared to \$7.019 million during the year ended December 31, 2009. Funds of \$9.040 million were used for exploration activities as compared to \$11.222 million in 2009. This decrease is attributable and consistent with the decrease in accounts payable from \$8.734 million at December 31, 2009 to \$6.834 million at December 31, 2010 offset by an increase in accrued liabilities from \$1.197 million to \$1.683 million respectively. This combined with our increase in accounts receivable which is mostly attributable to an unexpended cash call receivable of \$1.961 for the seismic acquisition on our Samuel exploration license at December 31, 2010.

Cash provided by financing activities for the year ended December 31, 2010 was \$7.986 as compared to \$nil during the year ended December 31, 2009. During the year ended December 31, 2010 9,941,177 shares of common stock were issued pursuant to two private placement financings for gross proceeds of \$8.450 million less share issuance costs of \$0.464 million. There were no private placement sales of our securities during 2009.

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## Capital Resources

We expect our exploration and development activities pursuant to our PSCs in India will continue through 2012 in accordance with the terms of those agreements. During the year 2012 and up to March 31, 2013, based on the current budgets in India, we anticipate drilling five exploratory wells and two core wells; completion of the acquisition, processing and interpretation of our DS 2D seismic data; and completion of the acquisition, processing and interpretation of our KG Onshore 3D seismic data. We further expect to tie-in additional oil wells in Tarapur along with the completion of the construction of a gas pipeline for the Tarapur G gas discovery and to continue with the construction of the gas gathering and production facilities together with further development drilling on the KG Offshore Block in which we have a carried interest. Additional expenditures may be incurred in connection with additional exploratory, appraisal and development wells we may participate in. If the Government of India approves the increase to our participating interest in the KG Onshore Block to 20%, our obligations to fund the 3D seismic acquisition and the exploratory drilling on the block will increase.

We expect our exploration activities pursuant to our licenses in Israel will continue through 2012 in accordance with the terms of those agreements. During 2012, we expect to complete the drilling of two deepwater exploration wells, one in each of our Myra and Sara licences. In addition, we expect to complete the processing and interpretation of the recently acquired 43 square kilometers of ocean bottom cable 3D seismic data and commence drilling the first exploration well in our Samuel license.

In addition, we may during 2012 seek to participate in joint ventures bidding for the acquisition of oil and gas interests in Israel, India, Colombia and other countries. As of March 27, 2012 we have no specific plans regarding such activities and have not entered into any binding agreements with respect to such activities. We expect that our interest in any such ventures would involve a minority participating interest in the venture. In addition, although there are no present plans to do so, as opportunities arise we may seek to acquire minority participating interests in exploration blocks where PSCs or Licenses have been heretofore awarded. The acquisition of any such interests would be subject to the execution of a definitive agreement and obtaining the requisite government consents and other approvals.

As of March 27, 2012 the scope of any possible such activities has not been definitively established and, accordingly, we are unable to state the amount of any funds that will be required for these purposes. As a result, no specific plans or arrangements have been made to raise additional capital and we have not entered into any agreements in that regard. We expect that when we seek to raise additional capital it will be through the sale of equity securities, debt or other financing arrangements. We are unable to estimate the terms on which such capital will be raised, the price per share or possible number of shares involved or the terms of any agreements to raise capital under other arrangements.

During the first quarter of 2011, we hired one new employee in our Canadian corporate office. Throughout 2011, we hired seven full time persons in Israel to support our Israeli operations. We do not expect any significant change in our number of employees in 2012.

## Off-balance Sheet Arrangements

None.

## Tabular Disclosure of Contractual Obligations

The following table sets forth our contractual obligations by type of agreement and amounts due during the year ended December 31, 2011 and each succeeding year thereafter. Where the amounts of payments are 0.0, this indicates we have no material obligations under such types of agreements.

|                        | Total | Payments due by period (\$ in millions) |           |           |                   |
|------------------------|-------|---|-----------|-----------|-------------------|
|                        |       | Less than 1 year                        | 1-3 years | 3-5 years | More than 5 years |
| Contractual Obligation |       |   |           |           |                   |



|                                      |      |      |      |     |     |
|--------------------------------------|------|------|------|-----|-----|
| Operating lease                      | 0.3  | 0.3  | 0.0  | 0.0 | 0.0 |
| Asset retirement obligation          | 0.7  | 0.0  | 0.0  | 0.0 | 0.7 |
| Financial commitments under PSCs     | 36.9 | 13.9 | 23.0 | 0.0 | 0.0 |
| Financial commitments under Licenses | 2.9  | 2.9  | 0.0  | 0.0 | 0.0 |
| Total                                | 40.8 | 17.1 | 23.0 | 0.0 | 0.7 |

Under the production sharing and other contracts and licenses, we are obligated to pay for our proportionate share of the exploration expenses in fulfilling the minimum work programs on each of our exploration blocks and licenses. Inasmuch as exploration and drilling activities can involve unanticipated expenses and cost overruns, there can be no assurance that these management estimates will prove to be accurate.

Financial commitments under the production sharing and other contracts are outlined below and include only the commitments for the current exploration Phase that we are conducting. Further, as we have not yet received Government of India consent to increasing our participating interest in the KG Onshore Block from 10% to 20%, our financial commitment shown in the table above includes only our 10% participating interest. The financial commitments under our licenses in Israel only include our commitment to drill our two wells without testing.

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### The KG Offshore Block

#### 2012 Potential Expenditures

We anticipate the Operator of the KG Offshore Block during the twelve month period from April 1, 2012 to March 31, 2013 to incur capital expenditures to drill two appraisal wells, one in the DeenDayal East Fault block and one in the DeenDayal West-Down Thrown Fault block to appraise the KG-16 and KG-21 discoveries, respectively. In addition, the Operator will drill and complete three development wells with a platform rig over DDW wellhead platform. It is anticipated that the Operator will re-enter, sidetrack and complete the KG-15 and KG-28 locations within the reservoir section. Work will continue on the Wellhead Platform, Processing Platform, Sub-sea pipeline and Onshore Gas Terminal with a planned commissioning date of April 30 2013.

Certain exploration costs related to the KG Offshore Block are incurred by us and on our behalf in providing our services under the Carried Interest Agreement and are therefore not reimbursable under the Carried Interest Agreement.

#### Financial Commitment

The amounts incurred and attributable to us for the twelve month period from April 1, 2012 to March 31, 2013 under the Carried Interest Agreement of which 50% is for the account of Roy Group (Mauritius) Inc. are carried by GSPC. Under the terms of the Carried Interest Agreement, GeoGlobal and Roy Group (Mauritius) Inc. are carried by GSPC for 100% of our share of any and all costs on the KG Offshore Block prior to the start date of initial commercial production.

As at December 31, 2011 GSPC has expended on exploration activities approximately \$263.0 million attributable to us under the Carried Interest Agreement as compared to \$189.0 million at December 31, 2010. Of this amount, 50% is for the account of Roy Group (Mauritius) Inc.

We will not realize cash flow from the KG Offshore Block until such time as the expenditures attributed to us, including those expenditures made for the account of Roy Group (Mauritius) Inc. under the Carried Interest Agreement have been recovered by GSPC from future production revenue. Under the terms of the Carried Interest Agreement, all of our proportionate share of capital costs for exploration and development activities must be repaid to GSPC without interest over the projected production life or ten years, whichever is less.

### KG Onshore Block

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditures we will contribute to the exploration activities on this block during 2012 based on a 10% participating interest will be \$4.9 million (\$9.8 million based on a 20% participating interest). These expenditures include drilling three exploration wells in 2012, two of which are shallow wells and the remaining one well is a deeper high pressure high temperature well.

#### Financial Commitments

We will be required to fund our proportionate share of the costs incurred in the KG Onshore exploration activities estimated to be approximately \$22.7 million over the remaining three years of the minimum work commitment with respect to a 10% participating interest in the block and approximately \$45.4 million with respect to a 20% participating interest in the block. These expenditures entail performing the required surveys and studies for Phase I, being the acquisition of a 400 square kilometer 3D seismic program and the interpretation and processing thereof and the drilling of twelve exploratory wells. It is expected that costs incurred will be \$4.9, \$7.5 and \$10.2 million over each of the years 2012, 2013 and 2014 respectively for a 10% participating interest and \$9.9, \$15.1 and \$20.5 million for a 20% participating interest.

### Sanand/Miroli Block

#### 2012 Potential Expenditures

At present, we have not estimated any capital expenditures on this block during 2012 based on our 10% participating interest.

#### Financial Commitments

We have completed the minimum work program for all three exploration phases and as such all financial commitments have been met under the terms of the PSC.

#### Ankleshwar Block

##### 2012 Potential Expenditures

The consortium elected not to proceed to Phase II but rather develop the existing discoveries. As such, an area of 172 square kilometers has been retained. We anticipate drilling one appraisal well for the ANK-41S gas discovery however, as at March 27, 2012, no budget as to timing of the drilling of this well has been presented.

#### Financial Commitments

We have completed the minimum work program for the first exploration phase and as such, all financial commitments have been met under the terms of the PSC. We have not estimated any capital expenditures on this block during 2012 based on our 10% participating interest.

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### Tarapur Block

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditures which we may contribute to the development activities on this block during 2012 will be funded by oil sales. These expenditures may include the tie in of the Tarapur 6 wells upon approval of a field development plan or the completion of the building of a gas pipeline for the Tarapur G upon approval of a field development plan.

If the consortium succeeds in having the additional eighteen month extension of the exploration phase granted by the Government of India, then we may participate in additional capital expenditures of approximately \$1.6 million for exploration activities during 2012. This would include our 20% participating interest in a 330 square kilometer 3D seismic acquisition program and the 30% cash payment as agreed in non-refundable pre-estimated damages based on the cost of the additional work program.

#### Financial Commitments

We have completed the minimum work programs for all three exploration phases and as such, all financial commitments have been met under the terms of the PSC.

### DS 03 Block

#### 2012 Potential Expenditures

We anticipate that the estimated total capital expenditures we will be required to contribute to the exploration activities on this block during 2012 based on our 100% participating interest will be \$0.3 million. These expenditures will include the acquisition, processing and interpretation of 12,000 line kilometers of aero magnetic survey data for which we applied for a sixteen month extension to Phase-I under excusable delay in obtaining requisite clearances and approvals which are pending from the Government of India.

#### Financial Commitments

We will be required to fund 100% of the costs incurred in the DS03 Block exploration activities estimated to be approximately \$0.4 million over the remaining two years to complete the first phase of the minimum work commitments. These expenditures entail completing the acquisition, processing and interpretation of 12,000 line kilometer aeromagnetic survey.

### DS 04 Block

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditures we will be required to contribute to the exploration activities on this block during 2012 based on our 100% participating interest will be \$2.2 million. These expenditures will include the completion of the ongoing acquisition, processing and interpretation of 500 line kilometers of 2D seismic data and drilling ten core holes up to a depth of 500 meters each.

#### Financial Commitments

The remaining work to be completed to fulfil the Phase I commitment is to complete the drilling of ten core holes to a depth of 500 meters each. Our 100% participating interest share of this commitment is \$2.2 million which is expected to be completed in 2012.

### RJ Block 20

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditures we will contribute to the exploration activities on this block during 2012 based on our 25% participating interest will be \$4.2 million. These expenditures include the completion of the acquisition processing and interpretation of 820 line kilometers of 2D seismic data, the drilling of two exploratory wells and the gravity and magnetic and geochemical surveys required under the Phase I minimum work

program.

#### Financial Commitments

We anticipate the total expenditures we will be required to fund for the current year to be approximately \$4.2 million as outlined above in our 2012 Potential Expenditures. We further expect \$2.9 million to be expended in 2013 to complete the balance of the minimum work program of drilling eight exploratory wells based on our 25% participating interest.

#### RJ Block 21

##### 2012 Potential Expenditures

We anticipate the estimated total capital expenditures we will contribute to the exploration activities on this block during 2012 based on our 25% participating interest will be \$2.3 million. These expenditures include the drilling of two exploratory wells required under the Phase I minimum work program.

OIL, the Operator along with Hindustan Petroleum Corporation Limited have proposed to relinquish the block without applying for the first six-month extension and has communicated the same to the Government of India. We disagree with this relinquishment and have written to the Government of India to grant us the first six-month extension to allow us to complete our share of the minimum work program commitment. OIL has paid the petroleum exploration license fees up to January 20, 2013 which would enable us to continue the exploration program. However, we are awaiting Government of India approval and direction in order to proceed with the exploratory program.

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### Financial Commitments

We anticipate the total expenditures we will be required to fund for the current year to be approximately \$2.3 million as outlined above in our 2012 Potential Expenditures subject to the approval and direction of the Government of India which is pending. We expect to continue to have a \$2.3 million financial commitment in 2013 to complete the minimum work program which was to entail the drilling of an additional six exploratory wells based on our 25% participating interest.

### 347/Myra and 348/Sara

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditure we will contribute to the exploration activities on these licenses during 2012 based on our 5% participating interest will be \$2.9 million. These expenditures include the completion of the drilling costs and related services to complete the drilling of two deep water exploration wells before the end of the third quarter of 2012.

### Financial Commitments

We anticipate the total expenditures we will be required to fund for the current year to be approximately \$2.9 million as outlined above in our 2012 Potential Expenditures without testing either of the two wells.

### 388/Samuel

#### 2012 Potential Expenditures

We anticipate the estimated total capital expenditure we will contribute to exploration activities on this license during 2012 based on our effective 42% participating interest will be \$0.9 million. These expenditures include the completion of the processing and interpretation of 43 square kilometers of 3-D seismic data acquired in 2011.

### Financial Commitments

We have no financial commitments for these expenditures.

### Critical Accounting Policies and Estimates

This discussion of financial condition and results of operations is based upon the information reported in our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of our financial statements requires us to make assumptions and estimates that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities at the date of our financial statements. We base our assumptions and estimates on historical experience and other sources that we believe to be reasonable at the time. Actual results may vary from our estimates. Our significant accounting policies are detailed in Note 3 to our consolidated financial statements. We have outlined below certain accounting policies that are of particular importance to the presentation of our financial position and results of operations and require the application of significant judgment or estimates by our management.

### Use of estimates

The preparation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimated amounts due to factors such as fluctuations in interest rates, currency exchange rates, inflation levels and commodity prices, changes in economic conditions and legislative and regulatory changes.

Significant estimates with regard to the consolidated financial statements include the estimated carrying value of unproved properties, the estimated cost and timing related to asset retirement obligations, stock-based compensation and contingencies.

#### Oil and Natural Gas Properties

We use the full cost method of accounting for our oil and natural gas properties. Separate cost centers are maintained for each country in which we incur costs. Under this method, we capitalize all acquisition, exploration and development costs incurred for the purpose of finding oil and natural gas reserves, including salaries, benefits and other internal costs directly attributable to these activities. Costs associated with production and general corporate activities, however, are expensed in the period incurred. To the extent that support equipment is used in oil and gas activities, the related depreciation is capitalized. Proceeds from the disposition of oil and natural gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such disposition would alter the depletion and depreciation rate by 20% or more.

Capitalized costs of development oil and natural gas properties may not exceed an amount equal to the present value, discounted at 10%, of estimated future net revenues from proven reserves plus the lower of cost or fair value of unproven properties. Should capitalized costs exceed this ceiling, an impairment is recognized.

The present value of estimated future net cash flows is computed by applying the average first-day-of-the-month prices during the previous twelve month period of oil and natural gas to estimated future production of proved oil and natural gas reserves as of year-end less estimated future expenditures to be incurred in developing and producing the proved reserves and assuming continuation of existing economic conditions.

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Following the discovery of reserves and the commencement of production, we compute depletion of oil and natural gas properties using the unit-of-production method based upon production and estimates of proved reserve quantities.

We assess all items classified as unproved property on a quarterly basis for possible impairment or reduction in value. We assess properties on an individual basis or as a group if properties are individually insignificant. The assessment includes consideration of the following factors, among others: land relinquishment; intent to drill; remaining lease term; geological and geophysical evaluations; drilling results and activity; the assignment of proved reserves; and the economic viability of development if proved reserves are assigned. During any period in which these factors indicate an impairment, the related exploration costs incurred are transferred to the full cost pool and are then subject to depletion and the ceiling limitations on development oil and natural gas expenditures.

### Asset Retirement Obligation

The fair values of estimated asset retirement obligations are recorded as liabilities when incurred and the associated cost is capitalized as part of the cost of the related asset. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and/or method of settlement. The liabilities are accreted as operating expense for the change in their time value. The initial capitalized costs are included in depletion expense in a manner consistent with the related assets. Changes in the estimated obligation resulting from revisions to the estimated timing or amount of undiscounted cash flows are recognized as a change in the asset retirement obligation and related asset. Actual expenditures incurred are charged against the accumulated obligation.

### Stock Based Compensation

Compensation cost for all share based payments are based on the fair value estimated and is recognized on a straight line basis over the vesting period for the award. We account for transactions in which we issue equity instruments to acquire goods or services from non employees based on the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable.

The fair value of share-based payments is capitalized or expensed, with a corresponding increase to additional paid-in capital for the equity classified awards, or the share-based payment liability for the liability classified awards. Upon exercise of stock options, the consideration paid upon exercise is recorded as additional value of common stock in additional paid-in capital.

### Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the potential loss arising from changes in market rates and prices. We are exposed to the impact of market fluctuations associated with the following:

#### Interest Rate Risk

We consider our exposure to interest rate risk to be immaterial. Interest rate exposures relate entirely to our investment portfolio, as we do not have short-term or long-term debt. Our investment objectives are focused on preservation of principal and liquidity. We manage our exposure to market risks by limiting investments to high quality bank issuers at overnight rates, or government securities of the United States or Canadian federal governments such as Guaranteed Investment Certificates or Treasury Bills. We do not hold any of these investments for trading purposes. We do not hold equity investments. We do not expect any material loss from cash equivalents and therefore we believe our interest rate exposure on invested funds is not material.

#### Foreign Currency Exchange Risk

Substantially, all of our cash and cash equivalents are held in U.S. dollars or U.S. dollar denominated securities. Certain of our expenses are fixed or denominated by foreign currencies including the Canadian dollar, the Indian Rupees and the New Israeli Shekels. We are exposed to market risks associated with fluctuations in foreign



currency exchange rates related to our transactions denominated in currencies other than the U.S. dollar.

At December 31, 2011, we had not entered into any market risk sensitive instruments relating to our foreign currency exchange risk.

#### Commodity Price Risk

Oil and natural gas prices are subject to wide fluctuations and market uncertainties due to a variety of factors that are beyond our control. These factors include the level of global demand for petroleum products, international supply of oil and gas, the establishment of and compliance with production quotas by oil exporting countries, weather conditions, the price and availability of alternative fuels, overall economic conditions, both international and domestic, and possible international disruptions. We cannot predict future oil and gas prices with any degree of certainty. Sustained weakness in oil and gas prices may adversely affect our ability to obtain capital to fund our activities and could in the future require a reduction in the carrying value of our oil and gas properties. Similarly, an improvement in oil and gas prices can have a favourable impact on our financial condition, results of operations and capital resources.

At December 31, 2011, we had not entered into any market risk sensitive instruments as such term is defined in Item 305 of Regulation S-K, relating to oil and natural gas.

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Trading Risks

We have no market risk sensitive instruments held for trading purposes.

Item 8. Financial Statements and Supplementary Data

Our Financial Statements are included in a separate section of this report. See Page FS 1.

Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure

There were no disagreements with accountants on accounting and financial disclosure.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

In participation with our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2011. Disclosure controls and procedures are defined under SEC rules as controls and other procedures that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Based on our evaluation of our disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2011, our disclosure controls and procedures were effective.

Management's Report on Internal Controls Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies

or procedures may deteriorate.

In making our assessment of the effectiveness of the internal controls over financial reporting, management, including the Chief Executive Officer and Chief Financial Officer, used the criteria set forth in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

A material weakness (as defined in SEC Rule 12b-2) is a control deficiency, or combination of control deficiencies, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Management has assessed and concluded that its internal control over financial reporting was effective as of December 31, 2011, based on the criteria established in Internal Control - Integrated Framework issued by COSO.

KPMG LLP, an independent registered public accounting firm that audited the consolidated financial statements, has performed an audit of internal control over financial reporting. Their report is included in this Annual Report on Form 10-K under Item 8, herein.

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## Material Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Item 9B. Other Information

None.

## PART III

## Item 10. Directors, Executive Officers and Corporate Governance

Our Directors and Executive Officers as at December 31, 2011 and their ages and employment histories are as follows:

| Name           | Age | Employment History  |
|----------------|-----|---|
| Paul B. Miller | 38  | Mr. Miller joined our Company in March 2010 and was elected a Director on September 15, 2010. With the resignation of Mr. Roy as President and Chief Executive Officer effective August 17, 2010, Mr. Miller assumed on that date, the position of President and Chief Executive Officer. Mr. Miller is responsible for presenting the company to shareholders and investors as well as performing day to day operations in conjunction with current management. Mr. Miller is a professional engineer licenced in Ontario and Alberta. He has a depth of experience working in the oil and gas industry all over the world. Originally from the East Coast of Canada, Mr. Miller has lived and worked throughout Canada having started his career in Alberta in 1997 working for Talisman Energy from 1997 to 2000 before moving on to Matrikon Inc., a global engineering consulting company, where he was employed in various management capacities from 2000 to 2010. During his ten year tenure with Matrikon, he headed up business units in Australia, Eastern North America, and the Middle East prior to returning to Alberta. Mr. Miller holds a Bachelor of Science degree in Chemical Engineering from the University of Alberta and in 2009 graduated from the Kellogg-Schulich Executive MBA program. |
| Jean Paul Roy  | 55  | Mr. Roy was elected a Director, President and Chief Executive Officer on August 29, 2003. Effective August 17, 2010 Mr. Roy resigned his position of President and Chief Executive Officer. Before joining GeoGlobal, Mr. Roy had been consulting in the oil and gas industry through his private company, GeoGlobal Technologies Inc. which he owned 100%. Mr. Roy has in excess of twenty-eight years of geological and geophysical experience in basins worldwide as he has worked on projects throughout India, North and South America, Europe, the Middle East, the former Soviet Union and South East Asia. His specialties include modern seismic data acquisition and processing techniques, and integrated geological and geophysical data interpretation. Since 1981 he has held geophysical positions with Niko Resources Ltd., Gujarat State Petroleum Corporation, Reliance Industries, Cubacan Exploration Inc., PetroCanada, GEDCO, Eurocan USA and British Petroleum. Mr. Roy graduated from St. Mary's University of Halifax, Nova Scotia in 1982 with a B.Sc. in Geology and has been certified as a Professional Geophysicist.  |

Allan J. Kent 58 Mr. Kent was elected a Director, Executive Vice President and Chief Financial Officer of our company on August 29, 2003. Mr. Kent did not stand for re-election to the Board of Directors at the September 15, 2010 Annual Meeting of Shareholders. Effective August 17, 2010, Mr. Kent assumed new responsibilities as Vice President of Finance. Mr. Kent has in excess of 28 years experience in the area of oil and gas exploration finance and has, since 1987, held a number of senior management positions and directorships with Cubacan Exploration Inc., Endeavour Resources Inc. and MacDonald Oil Exploration Ltd., all publicly listed companies. Prior thereto, beginning in 1980, he was a consultant in various capacities to a number of companies in the oil and gas industry. He received his Bachelor of Mathematics degree in 1977 from the University of Waterloo, Ontario.

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|-------------------|----|--|
| Michael J. Hudson | 65 | Mr. Hudson was elected a Director of our company on May 17, 2004. Mr. Hudson is a retired partner with the accounting firm Grant Thornton LLP. Mr. Hudson was with Grant Thornton for 20 years and with his experience in the oil and gas industry he was responsible for Assurance services and providing advice to private, not-for-profit and public company clients listed on Canadian and US exchanges. Mr. Hudson spent two years in London, England assisting the Institute of Chartered Accountants in England and Wales with the start up of a consulting service to members on best practices for the management of their firms including ethics and governance issues. Upon returning to Canada he went on secondment for 18 months with the Auditor General of Canada to learn and apply the disciplines of “value for money” auditing. He was co-director of the comprehensive (value for money) audit of Statistics Canada reporting in the 1983 Auditor General’s Report.   |
| David Conklin     | 47 | Mr. Conklin was elected a Director of our company on May 11, 2009. With the resignation of Mr. Peter Smith as Chairman of the Board effective April 29, 2011, Mr. Conklin was appointed to the position of Acting Chairman of the Board. On January 12, 2012, the Board approved his appointment as Chairman of the Board. Mr. Conklin currently serves as counsel at Goodmans LLP, a law firm in Toronto, Ontario, Canada and specializes in commercial litigation with an emphasis on corporate governance and business valuation. Before joining Goodmans LLP in 2007, Mr. Conklin practised for one year with Bernstein Litowitz Berger & Grossman LLP, a securities and class action firm in New York. Prior thereto he was a partner and senior litigator at Lerner LLP, a leading Toronto litigation law firm. Mr. Conklin has extensive experience appearing before all levels of civil courts in Ontario litigating commercial disputes involving shareholder and partnership disputes, oppression claims, breach of confidentiality and other fiduciary duties, secured and unsecured creditor claims, professional negligence claims and other related business law issues. He represents shareholders, boards of directors and entrepreneurs of both private and public companies. Mr. Conklin is currently an Executive in Residence at the Schulich School of Business, York University where he teaches courses in the MBA and EMBA programs on Corporate Governance Mergers and Acquisitions. Throughout his career, Mr. Conklin has taught a variety of legal and business courses including trial advocacy at the University Of Toronto Faculty Of Law and the Advocates’ Society. Mr. Conklin received his LL.M from Columbia University in New York City focusing on capital markets, corporate finance and governance issues and was admitted to the Law Society of Upper Canada in 1993 and to the New York State Bar in 2007. |
| Anoop Poddar      | 38 | Mr. Poddar was elected a Director of our company on September 15, 2010. Mr. Poddar is currently a Partner and Investment Manager in the Aberdeen, UK office of Energy Ventures where he has been employed since 2008. Energy Ventures is a venture capital firm focusing on equity investment into technology-focused companies in the oil and gas sector. Mr. Poddar has extensive experience commencing in 1994 in the oil and gas industry in such capacities as a petroleum engineer, an investment banker and as vice president of corporate finance. Originally from India, Mr. Poddar was a Drilling Engineer for Essar Oil in India for two years from 1994 to 1996, worked for five years internationally from 1997 to 2002 with Schlumberger as a Project  |

Co-ordinator/Drilling Engineer and was the Associate/VP of Corporate Finance with Simmons and Company in the UK from 2004 to 2007. Mr. Poddar holds a Bachelor of Engineering degree in Petroleum Engineering from the Indian School of Mines in Dhanbad, India, has a Master of Science degree in offshore engineering from the Robert Gordon University in Aberdeen, UK and has Masters in Business Administration degree from the Harvard Business School in Boston, USA.

Sunil S. Karkera 38 Mr. Karkera joined our company in November 2009 and held the position of Corporate Controller until August 17, 2010 when Mr. Karkera was promoted to serve as the Chief Financial Officer. Mr. Karkera is a Chartered Accountant from Canada and India and a Certified Public Accountant (Colorado) from USA with over 19 years of global experience with international accounting, advisory and consulting firms and with multi industry business groups, including the oil and gas industry. Mr. Karkera moved to Canada from Dubai, UAE in 2005 and worked with Ernst & Young LLP, an international accounting firm from February 2005 until he joined GeoGlobal in 2009. Prior thereto, Mr. Karkera worked with Pannell Kerr Forster, an international accounting firm, in Dubai, UAE from November 2000 to November 2004. Mr. Karkera worked with RMS & Co (now PricewaterhouseCoopers), in Mumbai, India from April 1996 to October 2000. Mr. Karkera started his career in the accounting field with a variety of positions with growth-orientated companies active in India

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|-------------------|----|---|
| Dr. Miles Leggett | 44 | Dr. Leggett joined our company on February 15, 2006 as GeoScience Specialist. Effective April 15, 2010, he became our Vice President of Exploration in Canada. Dr. Leggett is an innovative geoscientist with particular expertise in quantitative interpretation, analysis and reservoir characterization. He has 13 years of experience with seismic inversion and quantitative interpretation for E&P and has extensive exposure to clastic and carbonate environments across the globe. Prior to joining GeoGlobal, Dr. Leggett was employed by Fugro-Jason in both Canada and Dubai, Oman for 6 years and by Jason Geosystems in Rotterdam, London for the preceding 3 years. His international experience also includes working for companies in Loughborough, U.K., Glasgow, U.K. and Switzerland. He received his B.Sc. Hons. (Upper Second) Geophysics, from the University of Edinburgh in 1989 as well as his Ph.D. Borehole Seismic and Tomography, from the Durham University in 1993. |
|-------------------|----|---|

At our Annual Meeting of Stockholders held on June 9, 2011, Mr. Miller, Mr. Roy, Mr. Hudson, Mr. Conklin and Mr. Poddar were elected to serve as Directors of our company until our annual meeting of stockholders in 2012 and the election and qualification of their successors. At this 2011 Annual Meeting, all members of the Board of Directors were in attendance, with the exception of Mr. Anoop Poddar.

On April 27, 2011, we announced that Messrs. Peter R. Smith (Chairman) and Mr. Brent J. Peters resigned from the Company's Board of Directors effective April 29, 2011. Mr. David Conklin was appointed to the position of Acting Chairman of the Board. On January 12, 2012, the Board approved his appointment as Chairman of the Board.

Our Board of Directors has determined that Messrs. Hudson, Conklin and Poddar are "independent directors" under the listing standards of the NYSE Amex.

Our Board of Directors had twenty meetings during the year ended December 31, 2011. Of these twenty meetings, Mr. Roy was unable to attend two meetings, Mr. Conklin was unable to attend one meeting and Mr. Poddar was unable to attend three meetings. Two meetings were held with all members personally in attendance and the remainder of the meetings were held by conference call.

**Section 16(a) Beneficial Ownership Reporting Compliance**

The Federal securities laws require our Directors and Executive Officers, and persons who own more than ten percent (10%) of a registered class of our equity securities to file with the Securities and Exchange Commission initial reports of ownership and reports of changes in ownership of any of our equity securities. Copies of such reports are required to be furnished to us. To our knowledge, based solely on a review of the copies of such reports and other information furnished to us, all persons subject to these reporting requirements filed the required reports on a timely basis with respect to the year ended December 31, 2011.

**Audit Committee and Audit Committee Financial Expert**

Our Board of Directors has appointed an Audit Committee consisting of Messrs. Hudson, who is the Chairman, Mr. Conklin and Mr. Poddar, each of whom have been determined to be an "independent director" under the listing standards of the NYSE Amex. Under our Audit Committee Charter, adopted as amended on March 6, 2005, our Audit Committee's responsibilities include, among other responsibilities:

- the appointment, compensation and oversight of the work performed by our independent auditor,
- the adoption and assurance of compliance with a pre-approval policy with respect to services provided by the independent auditor,



- at least annually to obtain and review a report by our independent auditor as to relationships between the independent auditor and our company so as to assure the independence of the independent auditor,
- review the annual audited and quarterly financial statements with our management and the independent auditor, and
  - discuss with the independent auditor their required disclosure relating to the conduct of the audit.

Our Board of Directors has determined that Mr. Michael J. Hudson has the attributes of an Audit Committee Financial Expert and as such, serves as the Audit Committee Financial Expert on our Audit Committee.

Our Audit Committee had five meetings during the year ended December 31, 2011, of which all were held by conference telephone call. All members of the Audit Committee attended all five meetings with the exception of Mr. Conklin and Mr. Poddar who were unavailable for one meeting.

On March 28, 2012, our Audit Committee discussed our audited consolidated financial statements with management and discussed with KPMG, our independent registered public accounting firm, the matters required to be discussed by Statement of Auditing Standards No. 61 and received the written disclosures and the letter from KPMG as required by Independence Standards Board Standard No. 1 which confirmed KPMG's independence as auditor. Based on that review and those discussions, our Audit Committee recommended that our audited consolidated financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2011 for filing with the Securities and Exchange Commission.

Our Audit Committee Charter is available in the "Corporate Governance" section of our website at [www.geoglobal.com](http://www.geoglobal.com).

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### Compensation Committee

Our Compensation Committee consists of Mr. Hudson whom is the Chairman, Mr. Conklin and Mr. Poddar, each of whom have been determined to be an “independent” director. Our Compensation Committee, which has adopted a charter, among other things, exercises general responsibility regarding overall employee and executive compensation. Our Compensation Committee sets the annual salary, bonus and other benefits of the President and the Chief Executive Officer and approves compensation for all our other executive officers, consultants and employees after considering the recommendations of our President and Chief Executive Officer. Although Committee meetings are held in executive session, without management’s presence, the Committee (and from time to time individual members of the Committee) may meet with senior officers of our company to discuss objectives, explain the rationale for certain objectives or milestones, and to assure that it has management’s input in assessing the consequences of decisions made in the Committee meetings, for instance, the impact that its decisions may have on our financial statements. The Committee’s interactions with management seek to achieve a balance between receiving management’s opinion but still ensuring that management is not, in effect, establishing the terms and parameters for its own compensation. In certain instances, where management has proposed objectives that are more aggressive than those proposed by the Committee, the Committee may elect to utilize management’s milestones rather than its own.

Our Compensation Committee had no meetings during the year ended December 31, 2011.

### Nominating Committee

Our Nominating Committee consists of Mr. Hudson, who is the Chairman, Mr. Conklin and Mr. Poddar, each of whom have been determined to be an “independent director” under the listing standards of the NYSE Amex. Our Nominating Committee, among other things, exercises general responsibility regarding the identification of individuals qualified to become Board members and recommend that the Board select the director nominees for the next annual meeting of stockholders. Our Board of Directors has adopted a charter for the nominating committee.

The Nominating Committee had one meeting during the year ended December 31, 2011 and all members were in attendance.

Our Nominating Committee will seek out nominees for new directors as vacancies become available using the following criteria: a majority of the directors must be independent, as determined by the Board under applicable rules; nominees shall possess expertise in general business matters and in such other areas as are relevant to Committees on which they are expected to serve (such as financial expertise, for Directors expected to serve as Audit Committee members); and nominees shall be individuals with the background, character, skills and expertise such that they will meaningfully contribute to our success and our operations.

Our Nominating Committee Charter is available in the “Corporate Governance” section of our website at [www.geoglobal.com](http://www.geoglobal.com).

### Reserve Committee

Our Reserve Committee consists of Mr. Miller who is the Chairman, and Messrs. Karkera, Leggett, Hudson, Mohapatra, Choudhary and Sinha. Our Reserve Committee, among other things, will assist the Board with duties and responsibilities in evaluating and reporting the Company’s oil and gas reserves as well as work in consultation with the Company’s senior reserves engineering personnel to approve the appointment of, and any proposed changes in the independent engineering consultants retained to assist the Company in the annual review of reserves. Mr. Miller possesses a professional engineer designation and has experience in energy company reserve evaluations.

Our Reserve Committee had one meeting during the year ended December 31, 2011 which was held by conference telephone call.

Code of Ethics

We have adopted a Code of Ethics that applies to our principal executive officer and principal financial and accounting officer. A copy of our Code of Ethics was attached as Exhibit 14.1 to the Annual Report on Form 10-K for the year ended December 31, 2009.

Our Code of Ethics Charter is available in the “Corporate Governance” section of our website at [www.geoglobal.com](http://www.geoglobal.com).

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## Item 11. Executive Compensation

The following table sets forth information for compensation earned in fiscal years 2010 and 2011 by our named executive officers.

## 2010 and 2011 Summary Compensation Table

| Name and Principal Position                      | Year | Salary (\$) | Bonus (\$) | Option Awards (\$) (1) | All Other Compensation (\$) | Total (\$) |
|--|------|-------------|------------|------------------------|-----------------------------|------------|
| (a)  | (b)  | (c)         | (d)        | (f)                    | (i)                         | (j)        |
| Paul B. Miller, (2) (3)<br>President and CEO     | 2011 | 275,000     | 44,000     | 168,085                | 17,750 (7)                  | 504,835    |
|  | 2010 | 183,333     | -0-        | 124,001                | 83,352                      | 390,686    |
| Allan J. Kent, (2) (4)<br>Exec VP & CFO          | 2011 | 220,000     | 11,000     | 85,931                 | 11,000 (8)                  | 327,931    |
|  | 2010 | 215,469     | 5,000      | -0-                    | 22,404                      | 242,873    |
| Sunil Karkera (5)<br>CFO                         | 2011 | 170,000     | 23,250     | 118,985                | 8,500 (8)                   | 320,735    |
|  | 2010 | 143,051     | 16,605     | 127,833                | 5,810                       | 293,299    |
| Dr. Miles Leggett (6)<br>VP Exploration (Canada) | 2011 | 190,000     | 24,840     | 74,119                 | 9,500 (8)                   | 298,459    |

- (1) Represents the total grant date fair value of the awards recognized for financial statement reporting purposes with respect to the fiscal years ended December 31, 2010 and 2011, in accordance with FASB ASC Topic 718 (disregarding any forfeiture assumptions). For a discussion of the assumptions and methodologies used to calculate the amounts referred to above, see Note 11 to our financial statements included in this Annual Report on Form 10-K for the year ended December 31, 2011.
- (2) Mr. Miller is also a current Director and Mr. Kent is a past Director of our company; however they did not receive any additional compensation for serving in such capacities.
- (3) Prior to December 31, 2010, salary amounts paid to Mr. Miller were pursuant to an oral arrangement. Effective August 17, 2010 Mr. Miller commenced performing the duties of President and Chief Executive Officer. Effective January 1, 2011, the salary amounts paid to Mr. Miller are pursuant to an Employment Agreement.
- (4) Prior to August 17, 2010, salary amounts were paid to D.I. Investments Ltd., a company controlled by Mr. Kent, pursuant to a Financial Services Agreement whereby Mr. Kent performed the duties of Executive VP and CFO as described below. Effective August 17, 2010, Mr. Kent entered into an Employment Agreement directly with our Company in his individual capacity.
- (5) Prior to August 17, 2010, Mr. Karkera served as our Corporate Controller.
- (6) Prior to 15, 2011 Dr. Leggett served as our Geoscience Specialist.
- (7) This amount is a Registered Retirement Savings Plan ("RRSP") contribution by us in the amount of \$13,750 plus additional medical coverage in the amount of \$4,000.
- (8) This amount is an RRSP contribution by us in an amount that equals the individual's contribution and is facilitated under a Group Plan.

Narrative Disclosure to Summary Compensation Table  
Employment Agreements

## Mr. Paul B Miller

On January 27, 2011, we executed an employment agreement with Mr. Paul Miller, our President and Chief Executive Officer. The employment agreement, which was effective January 1, 2011, provides for a salary of \$275,000 per year, subject to an annual salary review, travel and health insurance benefits, RRSP benefits and an annual bonus pursuant

to a plan to be developed. The agreement is for an indefinite term and may be terminated due to death, disability, by the Company with or without cause (which generally includes, among other things, fraud, theft, dishonesty, breach of loyalty, Mr. Miller's breach of his employment agreement or his failure to spend an adequate amount of time in our operating locations ) or by Mr. Miller with or without good reason (which generally includes our breach of any obligation pursuant to the employment agreement, our failure to continue Mr. Miller in his position of employment or a material diminution of Mr. Miller's duties and responsibilities, the failure of a successor to agree to perform the employment agreement on substantially the same terms, or voluntary resignation by Mr. Miller within thirty (30) days following a change of control). If the agreement is terminated for disability, without cause or for good reason, Mr. Miller is entitled to receive his unpaid salary, bonus and vacation pay plus a lump sum payment equal to (i) ten (10) months of his base salary, subject to such amount increasing by one month's base salary for each year Mr. Miller is employed by us following his first year of employment, to a maximum of 12 month's base salary, plus (ii) a sum equal to 30% of the lump sum described in clause (i) above as compensation for loss of benefits. Mr. Miller is entitled to five weeks of paid vacation, annually. Mr. Miller's employment agreement also contains confidentiality provisions which remain in effect in perpetuity, and non-competition and non-solicitation provisions effective for a period of twelve months following termination of employment.

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Mr. Allan J. Kent

On November 18, 2010, we executed an employment agreement with Mr. Allan J. Kent, our Vice President of Finance. The employment agreement, which was effective August 17, 2010, provides for a salary of \$220,000 per year, subject to an annual salary review, a one-time signing bonus of \$5,000, travel and health insurance benefits and an annual bonus pursuant to a plan to be developed. The agreement is for an indefinite term and may be terminated due to death, disability, by the Company with or without cause (which generally includes, among other things, fraud, theft, dishonesty, breach of loyalty, Mr. Kent's breach of his employment agreement or his failure to spend an adequate amount of time in our operating locations ) or by Mr. Kent with or without good reason (which generally includes our breach of any obligation pursuant to the employment agreement, our failure to continue Mr. Kent in his position of employment or a material diminution of Mr. Kent's duties and responsibilities, the failure of a successor to agree to perform the employment agreement on substantially the same terms, or voluntary resignation by Mr. Kent within thirty (30) days following a change of control). If the agreement is terminated for disability, without cause or for good reason Mr. Kent is entitled to receive his unpaid salary, bonus and vacation pay plus a lump sum payment equal to (i) eighteen months of his base salary, subject to such amount increasing by one month's base salary for each year Mr. Kent is employed by us after January 1, 2011 to a maximum of 24 month's base salary, plus (ii) a sum equal to 30% of the lump sum described in clause (i) above as compensation for loss of benefits. Mr. Kent is entitled to six weeks of paid vacation, annually. Mr. Kent's employment agreement also contains confidentiality provisions which remain in effect in perpetuity, and non-competition and non-solicitation provisions effective for a period of twelve months following termination of employment. Prior to August 17, 2010, the services of Mr. Kent as Chief Financial Officer were provided pursuant to a Financial Services Agreement with D. I. Investments Ltd., a company controlled by Mr. Kent. The agreement provided for an annual fee payable of \$212,750 effective January 1, 2008 to August 17, 2010 for consulting services.

Mr. Sunil Karkera

On November 18, 2010, we executed an employment agreement with Mr. Sunil Karkera, our Chief Financial Officer. The employment agreement, which was effective August 17, 2010, provides for a salary of \$155,000 per year, subject to an annual salary review, travel and health insurance benefits, RRSP benefits and an annual bonus pursuant to a plan to be developed. The agreement is for an indefinite term and may be terminated due to death, disability, by the Company with or without cause (which generally includes, among other things, fraud, theft, dishonesty, breach of loyalty, Mr. Karkera's breach of his employment agreement or his failure to spend an adequate amount of time in our operating locations ) or by Mr. Karkera with or without good reason (which generally includes our breach of any obligation pursuant to the employment agreement, our failure to continue Mr. Karkera in his position of employment or a material diminution of Mr. Karkera's duties and responsibilities, the failure of a successor to agree to perform the employment agreement on substantially the same terms, or voluntary resignation by Mr. Karkera within thirty (30) days following a change of control). If the agreement is terminated for disability, without cause, or for good reason, Mr. Karkera is entitled to receive his unpaid salary, bonus and vacation pay plus a lump sum payment equal to (i) six months of his base salary, subject to such amount increasing by one month's base salary for each year Mr. Karkera is employed by us after August 17, 2010 to a maximum of 12 month's base salary, plus (ii) a sum equal to 30% of the lump sum described in clause (i) above as compensation for loss of benefits. Mr. Karkera is entitled to four weeks of paid vacation, annually. Mr. Karkera's employment agreement also contains confidentiality provisions which remain in effect in perpetuity, and non-competition and non-solicitation provisions effective for a period of twelve months following termination of employment. Effective January 1, 2011, the employment agreement was amended to provide for a salary of \$170,000 per year.

Dr. Miles Leggett

From the period of February 15, 2006 to April 15, 2011 Dr. Leggett was employed as our Geoscience Specialist, pursuant to an offer of employment which provides for a salary of Cdn\$138,000 per year, subject to an annual salary review, RRSP benefits and health benefits. Subsequent to April 15, 2011 Dr. Leggett is employed as Vice President of Exploration (Canada) pursuant to the same offer of employment and effective January 1, 2011 receives an annual

compensation of Cdn\$190,000. If the Company wishes to terminate the employment agreement, Dr. Leggett would be entitled to receive six months' salary in lieu of notice. Where the employment is terminated because of a breach of any term of the agreement, or any other cause that is sufficient in law or in any other circumstances for which no notice or salary in lieu thereof is required by law, there will be no salary paid. Dr. Leggett is entitled to five weeks of paid vacation, annually.

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## Grants of Plan-Based Awards

During 2011, we granted options to purchase shares of our Common Stock to our named Executive Officers as described in the following table below.

| Name             | Grant Date<br>(mm/dd/yy) | All Other Option   |  | Grant Date Fair Value<br>of Stock and Option<br>Awards |
|------------------|--------------------------|--|--|--|
|                  |                          | Awards: Number of<br>Securities Underlying<br>Option (#) | Exercise or Base<br>Price of Options<br>Awards (\$/Sh) |  |
| (a)              | (b)                      | (j)  | (k)  | (l)  |
| Paul B. Miller   | 01/27/11                 | 65,000 (1)   | 0.75   | 0.7190   |
| Paul B. Miller   | 01/27/11                 | 65,000 (1)   | 1.12   | 0.7120   |
| Paul B. Miller   | 01/27/11                 | 70,000 (1)   | 1.50   | 0.7062   |
| Allan J. Kent    | 01/27/11                 | 42,000 (2)   | 0.75   | 0.7190   |
| Allan J. Kent    | 01/27/11                 | 42,000 (2)   | 1.12   | 0.7120   |
| Allan J. Kent    | 01/27/11                 | 41,000 (2)   | 1.50   | 0.7062   |
| Sunil S. Karkera | 01/27/11                 | 42,000 (2)   | 0.75   | 0.7190   |
| Sunil S. Karkera | 01/27/11                 | 42,000 (2)   | 1.12   | 0.7120   |
| Sunil S. Karkera | 01/27/11                 | 41,000 (2)   | 1.50   | 0.7062   |
| Miles Leggett    | 01/27/11                 | 42,000 (3)   | 0.75   | 0.7190   |
| Miles Leggett    | 01/27/11                 | 42,000 (3)   | 1.12   | 0.7120   |
| Miles Leggett    | 01/27/11                 | 41,000 (3)   | 1.50   | 0.7062   |

- (1) Of the total 200,000 options awarded to Mr. Miller, 97,500 vested on July 27, 2011 and 102,500 vested on January 27, 2012.
- (2) Of the total 125,000 options awarded to each of Mr. Kent and Mr. Karkera, 63,000 vested on July 27, 2011 and 62,000 vested on January 27, 2012.
- (3) Of the total 125,000 options awarded to Mr. Leggett, 62,500 vested on July 27, 2011 and 62,500 vested on January 27, 2012.

## Outstanding Equity Awards at Fiscal 2011 Year-End

The following table provides information with respect to our named executive officers regarding outstanding equity awards at December 31, 2011.

| Name           | Number of Securities Underlying Unexercised Options |                   | Number of Securities Underlying Unexercised Options |                   | Option Exercise Price (\$) | Option Expiration Date (mm/dd/yy) |
|----------------|---|-------------------|---|-------------------|----------------------------|-----------------------------------|
|                | (#) Exercisable                                     | (#) Unexercisable | (#) Exercisable                                     | (#) Unexercisable |                            |                                   |
| (a)            | (b)   | (c)               | (d)   | (e)               | (f)                        | (g)                               |
| Allan J. Kent  | 500,000   | -0-               | -0-   | -0-               | 3.95                       | 07/25/16                          |
| Allan J. Kent  | 42,000  | -0-               | -0-   | -0-               | 0.75                       | 01/27/21                          |
| Allan J. Kent  | 21,000  | -0-               | -0-   | -0-               | 1.12                       | 01/27/21                          |
| Allan J. Kent  | -0-   | 21,000 (1)        | -0-   | -0-               | 1.12                       | 01/27/21                          |
| Allan J. Kent  | -0-   | 41,000 (1)        | -0-   | -0-               | 1.50                       | 01/27/21                          |
| Paul B. Miller | 50,000  | -0-               | -0-   | -0-               | 1.50                       | 05/27/20                          |
| Paul B. Miller | 25,000  | -0-               | -0-   | -0-               | 2.25                       | 05/27/20                          |
| Paul B. Miller | 25,000  | -0-               | -0-   | -0-               | 2.25                       | 05/27/20                          |
| Paul B. Miller | 50,000  | -0-               | -0-   | -0-               | 3.00                       | 05/27/20                          |
| Paul B. Miller | 65,000  | -0-               | -0-   | -0-               | 0.75                       | 01/27/21                          |



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|                  |        |            |      |          |
|------------------|--------|------------|------|----------|
| Paul B. Miller   | 32,500 | -0-        | 1.12 | 01/27/21 |
| Paul B. Miller   | -0-    | 32,500 (1) | 1.12 | 01/27/21 |
| Paul B. Miller   | -0-    | 70,000 (1) | 1.50 | 01/27/21 |
| Sunil S. Karkera | 30,000 | -0-        | 1.50 | 05/27/20 |
| Sunil S. Karkera | 15,000 | -0-        | 2.25 | 05/27/20 |
| Sunil S. Karkera | 15,000 | -0-        | 2.25 | 05/27/20 |
| Sunil S. Karkera | 30,000 | -0-        | 3.00 | 05/27/20 |
| Sunil S. Karkera | 60,000 | -0-        | 1.65 | 12/31/12 |
| Sunil S. Karkera | 42,000 | -0-        | 0.75 | 01/27/21 |
| Sunil S. Karkera | 21,000 | -0-        | 1.12 | 01/27/21 |
| Sunil S. Karkera | -0-    | 21,000 (1) | 1.12 | 01/27/21 |
| Sunil S. Karkera | -0-    | 41,000 (1) | 1.50 | 01/27/21 |
| Miles Leggett    | 50,000 | -0-        | 1.50 | 05/27/20 |
| Miles Leggett    | 25,000 | -0-        | 2.25 | 05/27/20 |
| Miles Leggett    | 25,000 | -0-        | 2.25 | 05/27/20 |
| Miles Leggett    | 50,000 | -0-        | 3.00 | 05/27/20 |
| Miles Leggett    | 42,000 | -0-        | 0.75 | 01/27/21 |
| Miles Leggett    | 20,500 | -0-        | 1.12 | 01/27/21 |
| Miles Leggett    | -0-    | 21,500 (1) | 1.12 | 01/27/21 |
| Miles Leggett    | -0-    | 41,000 (1) | 1.50 | 01/27/21 |

(1) These options vest on January 27, 2012.

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No options were exercised by our named executive officers during the fiscal year ended December 31, 2011.

## Director Compensation

The following table provides information with respect to compensation of our Directors during the year ended December 31, 2011. The compensation paid to our named executive officers who are also Directors is reflected in the Summary Compensation Table above.

| Name           | Fees Earned or Paid in |               | All Other    | Total   |
|----------------|------------------------|---------------|--------------|---------|
|                | Cash                   | Option Awards | Compensation |         |
| (a)            | (b)                    | (d)           | (g)          | (h)     |
| Peter Smith    | 8,000                  | --            | 24,000 (2)   | 49,391  |
| Brent Peters   | 8,000                  | --            | 24,000 (2)   | 49,391  |
| Jean Paul Roy  | 460,616                | 34,166        | -0-          | 494,782 |
| Michael Hudson | 80,000                 | 35,231        | 24,000 (2)   | 139,231 |
| David Conklin  | 235,000                | 35,231        | 47,200 (3)   | 317,431 |
| Anoop Poddar   | 74,000                 | 25,001        | -0-          | 99,001  |

(1) Represents the total grant date fair value of the awards recognized for financial statement reporting purposes with respect to the fiscal year ended December 31, 2011 in accordance with FASB ASC Topic 718 (disregarding any forfeiture assumptions). For a discussion of the assumptions and methodologies used to calculate the amounts referred to above, see Note 11 to our financial statements included in this Annual Report on Form 10-K for the year ended December 31, 2011. As of December 31, 2011, Messrs. Smith and Peters each held 300,000 options, of which all are vested, Mr. Roy held 700,000 options, of which 100,000 are unvested, Mr. Conklin held 150,000 options, of which 66,666 are unvested and Mr. Poddar held 100,000 options, of which 83,333 are unvested.

(2) A discretionary retiring service reward was paid to each of Messrs. Smith, Peters and Hudson in recognition of years of service and significant contributions to the Company. Mike Hudson received the discretionary retiring service award even though he has not yet retired.

(3) Denotes bonus of \$45,000 plus medical expenses of \$2,200.

Effective May 11, 2009 our company's Board of Directors adopted an Independent Director Compensation Policy. Under the Policy, each of our Independent Directors, as such term is defined under the NYSE Amex Company Guide, receives an annual retainer of \$24,000 payable in monthly instalments, and the Chairperson of our Audit Committee receives an additional annual retainer of \$6,000 payable in monthly instalments.

In 2009, a Special Committee of the Board of Directors (the "Special Committee") was created which consisted of Mr. David Conklin as an Independent Director to perform the duties of this Special Committee with compensation of \$25,000 each month. The Board of Directors terminated that Special Committee at the end of January 2011. Effective February 1, 2011, Mr. Conklin receives a monthly compensation of Cdn\$13,500 to act as Lead Director. From May to September 2011, a New Special Committee for the Board of Directors (the "New Special Committee") was instituted which consisted of Mr. Conklin, Mr. Hudson and Mr. Poddar. Mr. Conklin received a monthly compensation fee of \$7,500 and Mr. Hudson and Poddar received a monthly compensation fee of \$10,000 each to perform the duties of the New Special Committee.

Our Directors are also reimbursed for out-of-pocket expenses incurred in attending meetings.

Pursuant to the terms of our 2008 Stock Incentive Plan, each non-employee Director automatically receives an option grant for 50,000 shares on the date such person joins the Board. In addition, on the date of each annual stockholder meeting provided such person has served as a non-employee Director for at least six months, each non-employee

Director who continues to serve in such capacity will automatically be granted an option to purchase 50,000 shares. Each option has a term of ten years, subject to earlier termination following a cessation of Board service, and is subject to certain vesting provisions. For the purposes of the automatic grant provisions of our Stock Incentive Plans in 2011, all of our Directors, other than Messrs. Miller, Roy and Kent were considered non-employee Directors.

#### Compensation Committee Interlocks and Insider Participation

None of the members of our Compensation Committee were officers or employees of our company during the year ended December 31, 2011 or were former officers of our company or had any other relationship with our company requiring disclosure.

#### Compensation Discussion and Analysis

Our 2011 named executive officers in 2011 were Paul B. Miller, our President and Chief Executive Officer, Allan J. Kent, our VP of Finance, Sunil Karkera, our Chief Financial Officers and Mr. Miles Leggett, our VP Exploration (Canada).

#### Policies and Objectives, Compensation Setting Process

Our Compensation Committee believes that our compensation policies and objectives must take into consideration our specific business objectives and our ability to implement those objectives under the terms of the PSCs to which we are a party. Accordingly, our compensation policies and objectives should be based on both our successes in entering into and pursuing joint venture arrangements, as well as the progress and success of the exploration and drilling activities of those ventures, whether undertaken directly by us or through the Operators of exploration blocks.

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Our Compensation Committee also believes that the compensation of our named executive officers should be based on the principle that levels of compensation must enable our company to motivate and retain the talent we need to lead and make our company grow and thus compensation levels must be competitive with similar other companies, be fair and reasonable and, where appropriate, reward successful performance.

Our Compensation Committee relies upon its own judgment in making compensation decisions.

However, we also participated in the Lane Caputo December 2010 International Oil and Gas Exploration and Production Compensation Survey. This survey covered among other topics, compensation levels paid by a peer group of companies as found in a compensation report and the growth and complexity of the named executive officers' tasks during the year. With that information and our company's overall business plans for further growth, our Compensation Committee made compensation recommendations for the fiscal year 2010 and beyond.

Our Compensation Committee did not meet during the year ended December 31, 2011.

### Elements of Compensation

The Compensation Committee follows the practice established in 2005 of providing a compensation package to our named Executive Officers consisting of direct monetary compensation (salary and bonus) and stock options.

**Direct Monetary Compensation:** Our Compensation Committee does not establish any specific pre-determined performance or target goals. The direct monetary compensation of our named executive officers is based on the scope of their duties and responsibilities and the executives' individual performance in fulfilling those duties and responsibilities, in addition to the other factors described above. Because of the inherent nature of our activities, the uncertain nature of the outcome of our activities, and the extended period of time over which the success of our activities will be determined, the Compensation Committee believes that, because the company's ability to achieve its objectives is greatly dependent upon the activities of the Operators of the drilling blocks in which we have an interest, the company's success in its exploration and drilling activities during a particular year should not be the sole measure by which the direct monetary compensation of our named executive officers is determined. The Compensation Committee also recognizes that our company's opportunity to enter into additional production-sharing or other contracts or acquire interests in ventures that are parties to such contracts is limited by availability of contracts and our company's capital.

**Equity Compensation:** Our Compensation Committee believes that a material element of executive compensation should be the award of equity grants. This element of compensation has taken the form of grants of options under our 2008 Stock Incentive Plan but other forms of equity grants may be considered in the future. The Compensation Committee believes the award of equity grants has the effect of aligning executive officers compensation to the future growth and success of our company. Equity grants are the only form of long-term compensation utilized to compensate our executive officers at this time. The Compensation Committee does not consider any relationship between Direct Monetary Compensation and Equity Compensation in making equity grants. These grants are not based on any strict formula but rather are determined in light of practices at the peer group selected, our company's past practices, and our overall corporate performance during the period relative to our progress made in achieving our overall business plan objectives and achieving stockholder value.

The Compensation Committee awarded equity grants to certain of our named executive officers in 2011. See "Item 11 – Executive Compensation – Grants of Plan-Based Award Table" for more information on such awards.

### Termination, Change of Control Benefits

We have arrangements with our named executive officers regarding monetary payments to them in the event of a certain terminations, including voluntary termination upon a change of control. Disbursements to the named executive officers under these arrangements cover such payments as unpaid base salary, unpaid vacation pay and any unpaid bonus as approved by the Board of Directors as well as a lump sum cash amount, determined based on the executives' length of service. See "Item 11 – Executive Compensation – Narrative to Summary Compensation Table – Employment Agreements" for more information on such termination payments.

Additionally, in the event that our company is acquired by merger or sale of substantially all of its assets or of securities possessing more than 50% of the total combined voting power of our outstanding securities, each outstanding option granted under our 1998 Stock Incentive Plan and/or our 2008 Stock Incentive Plan (including those held by named executive officers and Directors), which is not to be assumed by a successor corporation or otherwise continued in effect will automatically accelerate in full and become fully vested, subject to certain exceptions. Options may also immediately vest in connection with a change in the majority of the Board of Directors of our company by reason of one or more contested elections for Board membership.

#### Perquisites

Our named executive officers receive perquisites in the form of a registered retired savings plan contribution, specialized medical coverage and travel insurance coverage or, pursuant to their employment agreements, travel expenses for the executive and their family for trips to India or Israel. Our executives are also reimbursed for out-of-pocket expenses on a cost recovery basis for expenses such as travel, hotel, meals and entertainment expenses incurred by them.

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## Compensation Committee Report

The Compensation Committee of our Board of Directors has reviewed and discussed with management the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the 2011 Annual Report on Form 10-K and the Proxy Statement for the 2012 Annual Meeting of Stockholders for filing with the Securities and Exchange Commission.

Submitted by the Compensation Committee:

Michael J. Hudson (Chairman)

David D. Conklin

Anoop Poddar

The above Compensation Committee Report is not deemed to be “soliciting material” or “filed” with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or incorporated by reference in any documents so filed.

#### Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

##### Securities Authorized for Issuance Under Equity Compensation Plans

During the year ended December 31, 2011, we had two equity compensation plans for our employees, directors and consultants pursuant to which options, rights or shares may be granted or have been issued. They are referred to as our 1998 Stock Incentive Plan (the 1998 Plan), which expired on December 4, 2008 and our 2008 Stock Incentive Plan (the 2008 Plan). See the Notes to Consolidated Financial Statements to the attached financial statements for further information on the material terms of these plans.

##### Equity Compensation Plan Information

The following table provides information as of December 31, 2011 with respect to our equity compensation plans (including individual compensation arrangements), under which securities are authorized for issuance aggregated as to (i) compensation plans previously approved by stockholders, and (ii) compensation plans not previously approved by stockholders:

| Plan Category  | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
|--|---|---|---|
|  | (a)   | (b)   | (c)   |
| Equity compensation plans approved by security holders     |   |   |   |
| 1998 Stock Incentive Plan                                  | 1,800,000   | \$4.19  | -0-   |
| 2008 Stock Incentive Plan                                  | 2,790,000   | \$1.45  | 9,210,000   |
| Equity compensation plans not approved by security holders | -0-   | -0-   | -0-   |
| Total  | 4,590,000   | \$2.53  | 9,210,000   |



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## Security Ownership of Certain Beneficial Owners and Management

Set forth below is information concerning the Common Stock ownership of all persons known by us to own beneficially 5% or more of our Common Stock, the Common Stock ownership of each of our Directors and officers and all Directors and officers as a group, as of March 27, 2012. As of March 27, 2012, we had 101,749,572 shares of Common Stock outstanding.

## Beneficial owners of 5% or more:

| Name and Address of Beneficial Owner  | Number of Shares(1)<br>Beneficially Owned | Percentage of<br>Outstanding Common<br>Stock |
|---|---|--|
| Jean Paul Roy<br>c/o GeoGlobal Resources Inc.<br>Suite 200, 625 – 4 Avenue SW<br>Calgary, Alberta T2P 0K2 | 23,119,991(2) (4)                         | 22.57%                                       |
| The Israel Land Development Company –<br>Energy Ltd.<br>2 Arie Shenkar St.<br>Tel-Aviv, 68010, Israel     | 16,466,639(3) (5)                         | 16.18%                                       |
| All persons as a group (2 persons)  | 39,586,630                                | 38.75%                                       |

- (1) For purposes of the above table, a person is considered to “beneficially own” any shares with respect to which he exercises sole or shared voting or investment power or of which he has the right to acquire the beneficial ownership within 60 days of March 27, 2012. Each owner’s percentage is calculated by dividing the number of shares beneficially held by that owner by the sum of 101,749,572, plus the number of shares that owner has the right to acquire within 60 days.
- (2) This information is based upon the Form 4 filed with the SEC by Mr. Jean Roy on September 20, 2011. This number includes 22,419,991 shares of Common Stock and 700,000 options to purchase Common Stock exercisable within 60 days of March 27, 2012.
- (3) This information is based on the Schedule 13D filed with the SEC by The Israel Land Development Company – Energy Ltd. (ILDE) on December 1, 2011 reflecting its beneficial ownership.
- (4) On September 2, 2008, Mr. Roy entered into a Share Purchase Agreement (the “Agreement”) and a Securities Pledge Agreement with a private investor. Pursuant to the Agreement, Mr. Roy agreed to sell on the closing date in a privately negotiated transaction 375,000 shares of our common stock at a price of \$3.00 per share. The Securities Pledge Agreement indemnifies the investor, should the investor elect to sell the shares, against any deficiency resulting to the investor between the purchase price for the shares of common stock plus a stipulated sum per share and the price realized from the sale during the period commencing six months and one day after the respective initial and subsequent closing dates of the investor’s purchase of the shares through the date seven months after such closing dates. Due to intervening market conditions, the completion of the purchase of the shares from Mr. Roy was not completed.
- (5) On November 21, 2011, we closed a private placement transaction with The Israel Land Development Company – Energy Ltd. (“ILDE”) (the “Transaction”) and entered into certain other agreements in connection therewith (together, the “Transaction Agreements”). The Transaction consisted of two parts. The first tranche closed on November 21, 2011 and involved the issuance by us of 16,466,639 shares of Common Stock to ILDE for US\$3,951,993. The second tranche is anticipated to close on or before March 29, 2012 and involves the exchange of 32,740,479 shares of Common Stock, the issuance of 16,466,639 warrants to purchase shares of our Company’s common stock (the “Warrants”) and the potential issuance of 16,466,639 units, each consisting of (i) one share of our Common Stock and (ii) a Warrant (the “Units”).

Under the terms of an existing agreement with Rodman & Renshaw, LLC, the Company is required to pay Rodman & Renshaw such number of Warrants to purchase shares of Common Stock equal to 6% of the aggregate number of



Warrants issued under a placement facilitated by them. As Rodman & Renshaw facilitated the Transaction, the Company is required to issue 1,975,996 additional Warrants to purchase Common Stock to Rodman & Renshaw. Moreover, under the Securities Purchase and Exchange Agreement, ILDE is entitled to up to a 50% participation right in the total of any issuances during the period from November 21, 2011 to May 1, 2012 and therefore is entitled to an additional 1,975,996 Warrants to purchase Common Stock of the Company.

Immediately following the closing of the Transaction, ILDE will own approximately 36.6% of the outstanding shares of our Common Stock and will have the right to acquire another approximately 51,375,913 shares of our Common Stock. If ILDE exercises all of its Warrants and purchases and exercises all of its Units, it would subsequently hold 100,583,031 shares of Common Stock or approximately 54.11% of our outstanding shares of Common Stock (assuming no other options or warrants are exercised by another person/company). Such an increase in ILDE's percentage of ownership would constitute a change of control.

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Stock ownership of our Directors and Officers:

| Name of Beneficial Owner           | Number of Shares(1)<br>Beneficially Owned | Percentage of<br>Outstanding Common<br>Stock |
|------------------------------------|---|--|
| Paul B. Miller                     | 390,000(2)                                | *  |
| Michael J. Hudson                  | 300,000(3)                                | *  |
| David D. Conklin                   | 100,000(4)                                | *  |
| Anoop Poddar                       | 16,667(5)                                 | *  |
| Ohad Marani                        | -0-                                       | *  |
| Allan J. Kent                      | 625,000(6)                                | *  |
| Sunil S. Karkera                   | 275,000(7)                                | *  |
| Miles Leggett                      | 500,000(8)                                | *  |
| All persons as a group (8 persons) | 2,206,667                                 | 2.16%  |

\*holds less than 1%

(1) For purposes of the above table, a person is considered to “beneficially own” any shares with respect to which he exercises sole or shared voting or investment power or of which he has the right to acquire the beneficial ownership within 60 days of March 27, 2012. Each owner’s percentage is calculated by dividing the number of shares beneficially held by that owner by the sum of 101,749,572, plus the number of shares that owner has the right to acquire within 60 days.

(2) Includes 40,000 shares of Common Stock and 350,000 options to purchase Common Stock exercisable within 60 days of March 27, 2012.

(3) Includes options to purchase 300,000 shares of Common Stock exercisable within 60 days of March 27, 2012.

(4) Includes options to purchase 100,000 shares of Common Stock exercisable within 60 days of March 27, 2012.

(5) Includes options to purchase 16,667 shares of Common Stock exercisable within 60 days of March 27, 2012.

(6) Includes options to purchase 625,000 shares of Common Stock exercisable within 60 days of March 27, 2012.

(7) Includes options to purchase 275,000 shares of Common Stock exercisable within 60 days of March 27, 2012.

(8) Includes 225,000 shares of Common Stock and options to purchase 275,000 shares of Common Stock exercisable within 60 days of March 27, 2012.

## Item 13. Certain Relationships and Related Transactions, and Director Independence

On March 27, 2003 we entered into a Participating Interest Agreement with Roy Group (Mauritius) Inc., a corporation wholly owned by Jean Paul Roy, whereby we assigned and hold in trust for Roy Group (Mauritius) Inc. subject to the Government of India consent, 50% of the benefits and obligations of the PSC covering the KG Offshore Block and the Carried Interest Agreement leaving us with a net 5% participating interest in the KG Offshore Block and a net 5% carried interest in the Carried Interest Agreement. Under the terms of the Participating Interest Agreement, until the Government of India consent is obtained, we retain the exclusive right to deal with the other parties related to the KG Offshore Block and the Carried Interest Agreement and are entitled to make all decisions regarding the interest assigned to Roy Group (Mauritius) Inc. Roy Group (Mauritius) Inc. has agreed to be bound by and be responsible for the actions taken by, obligations undertaken and costs incurred by us in regard to Roy Group (Mauritius) Inc.’s interest, and to be liable to us for its share of all costs, interests, liabilities and obligations arising out of or relating to the Roy Group (Mauritius) Inc. interest. Roy Group (Mauritius) Inc. has agreed to indemnify us against any and all costs, expenses, losses, damages or liabilities incurred by reason of Roy Group (Mauritius) Inc.’s failure to pay the same.

Subject to obtaining the government consent to the assignment, Roy Group (Mauritius) Inc. is entitled to all income, receipts, credits, reimbursements, monies receivable, rebates and other benefits in respect of its 5% interest which

relate to the KG Offshore PSC.

We have a right of set-off against sums owing to us by Roy Group (Mauritius) Inc. In the event that the Government of India consent is delayed or denied, resulting in either Roy Group (Mauritius) Inc. or our company being denied an economic benefit either would have realized under the Participating Interest Agreement, the parties agreed to amend the agreement or take other reasonable steps to assure that an equitable result is achieved consistent with the parties' intentions contained in the Participating Interest Agreement. In the event the consent is denied, neither party is entitled to assert any claim against the other except as is specifically set forth in the agreement. We have not yet obtained the consent of the Government of India. As a consequence of this transaction, we report our holdings under the KG Offshore PSC and Carried Interest Agreement as a net 5% participating interest.

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On August 29, 2003 we entered into a Technical Services Agreement with Roy Group (Barbados) Inc., a corporation wholly owned by Mr. Roy, whereby Roy Group (Barbados) Inc. agreed to perform geological and geophysical duties assigned to it by our company. On January 31, 2006, the terms of the agreement were amended to amend the fee payable from \$250,000 to \$350,000 effective January 1, 2006. Roy Group (Barbados) Inc. is reimbursed for authorized travel and other out-of-pocket expenses. The agreement prohibits Roy Group (Barbados) Inc. from disclosing any of our confidential information and from competing directly or indirectly with us for a period ending December 31, 2010 with respect to any acquisition, exploration, or development of any crude oil, natural gas or related hydrocarbon interests within the area of the country of India. The agreement terminated on August 17, 2010, however the confidentiality and non-competition provisions survive this termination. Roy Group (Barbados) Inc. received \$460,616 from us during 2011 (\$350,711 during 2010) under the terms of this agreement.

Roy Group (Barbados) Inc. was reimbursed for expenses such as travel, hotel, meals and entertainment, computer costs and amounts billed to third parties incurred by Mr. Roy during 2011. At December 31, 2011, we owed Roy Group (Barbados) Inc. \$47,019 for services provided and expenses incurred on behalf of our Company which amount bears no interest and has no set terms of repayment. Mr. Roy receives no additional compensation as a Director.

During the year ended December 31, 2010, Mr. Allan J. Kent who was Executive Vice President, Chief Financial Officer and a Director, was paid \$133,827 by us for his consulting services that were provided to us pursuant to a contract with D.I. Investments Ltd., a corporation wholly owned by him, that expired on August 17, 2010.

D.I. Investments Ltd. was reimbursed for expenses such as travel, hotel, meals and entertainment and expenses incurred directly throughout 2010. Additionally, we paid for medical insurance coverage for Mr. Kent and his family during 2010 in the amount of \$22,404. At December 31, 2010, we owed D.I. Investments Ltd. \$nil as a result of services provided and expenses incurred on behalf of our company.

The services of Mr. Kent as Vice President of Finance are now provided to us pursuant to an Employment Agreement. Expenses incurred by Mr. Kent in connection with the Company are reimbursed to him including travel, hotel, meals and entertainment expenses.

We have not had a related person has been a principal underwriter or a member of a firm that was a principal underwriter in any of the sales of securities offered by our Company.

We have not had a promoter at any time during the past five fiscal years.

Effective May 11, 2009 our company's Board of Directors adopted an Independent Director Compensation Policy. Under the Policy, each of our Independent Directors, as such term is defined under the NYSE Amex Company Guide, receives an annual retainer of \$24,000 payable in monthly instalments. Our Board of Directors has determined that Messrs. Hudson, Conklin and Poddar are "independent directors" under the listing standards of the NYSE Amex and all of the members of our Audit, Compensation and Nominating Committees are independent directors.

#### Item 14. Principal Accountant Fees and Services

The following sets forth fees we incurred for professional services provided by KPMG, LLP and Ernst & Young LLP for accounting services rendered during the years ended December 31, 2011 and December 31, 2010, respectively.

|      | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees | Total   |
|------|------------|--------------------|----------|----------------|---------|
| 2011 | 384,874    | 12,896             | 148,471  | --             | 546,241 |
| 2010 | 359,247    | 26,407             | 14,702   | --             | 400,356 |

Our Board of Directors believes that the provision of the services during the years ended December 31, 2011 and December 31, 2010 is compatible with maintaining the independence of KPMG LLP. Our Audit Committee approves before the engagement the rendering of all audit and non-audit services provided to our company by our independent auditor. Engagements to render services are not entered into pursuant to any pre-approval policies and procedures adopted by the Audit Committee. The services provided by KPMG LLP included under the caption Audit Fees include services rendered for the audit of our annual financial statements and the review of our quarterly financial reports filed with the Securities and Exchange Commission. Audit Related Fees include services rendered in connection with the review of other filings with the Securities and Exchange Commission. Tax Fees include services rendered relating primarily to tax compliance, consulting, customs and duties. All Other Fees include administration fees to cover various expenses and SOX related work performed to date.

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## Part IV

## Item 15. Exhibits and Financial Statement Schedules

| Exhibit    | Description  |
|------------|--|
| 3.1        | Certificate of Incorporation of the Registrant, as amended (1)   |
| 3.2        | Bylaws of the Registrant, as amended (4)   |
| 3.2        | Bylaws of the Registrant, as amended (16)  |
| <u>3.2</u> | <u>Bylaws of the Registrant, as amended (27)</u>   |
| 3.3        | Certificate of Amendment filed with the State of Delaware on November 25, 1998 (2)   |
| 3.4        | Certificate of Amendment filed with the State of Delaware on December 4, 1998 (2)  |
| 3.5        | Certificate of Amendment filed with the State of Delaware on March 18, 2003 (5)  |
| 3.6        | Certificate of Amendment filed with the State of Delaware on January 8, 2004 (5)   |
| <u>3.7</u> | <u>Certificate of Amendment filed with the State of Delaware on September 24, 2009 (27)</u>  |
| <u>3.8</u> | <u>Certificate of Amendment filed with the State of Delaware on June 9, 2011 (27)</u>  |
| <u>3.9</u> | <u>Certificate of Amendment filed with the State of Delaware on February 12, 2012 (27)</u>   |
| 4.1        | Specimen stock certificate of the Registrant (5)   |
| 10.1       | 1998 Stock Incentive Plan (2)  |
| 10.2       | 2008 Stock Incentive Plan (13)   |
| 10.3       | Stock Purchase Agreement dated April 4, 2003 by and among Suite101.com, Inc., Jean Paul Roy and GeoGlobal Resources (India) Inc. (3)   |
| 10.4       | Amendment dated August 29, 2003 to Stock Purchase Agreement dated April 4, 2003 (4)  |
| 10.5       | Technical Services Agreement dated August 29, 2003 between Suite101.com, Inc. and Roy Group (Barbados) Inc. (4)  |
| 10.5.1     | Amendment to Technical Services Agreement dated January 31, 2006 between GeoGlobal Resources Inc. and Roy Group (Barbados) Inc. (8)  |
| 10.6       | Participating Interest Agreement dated March 27, 2003 between GeoGlobal Resources (India) Inc. and Roy Group (Mauritius) Inc. (4)  |
| 10.7       | Escrow Agreement dated August 29, 2003 among Registrant, Jean Paul Roy and Computershare Trust Company of Canada(4)  |
| 10.8       | Promissory Note dated August 29, 2003 payable to Jean Paul Roy (4)   |
| 10.9       | Production Sharing Contract dated February 4, 2003 among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Limited and GeoGlobal Resources (India) Inc. (6)   |
| 10.10      | Production Sharing Contract dated February 6, 2004 among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Private Limited and GeoGlobal Resources (Barbados) Inc. (6)                                  |
| 10.11      | Production Sharing Contract dated February 6, 2004 among The Government of India, Gujarat State Petroleum Corporation Limited, Jubilant Enpro Private Limited, Prize Petroleum Company Limited and GeoGlobal Resources (Barbados) Inc. (6) |
| 10.12      | Carried Interest Agreement dated August 27, 2002 between Gujarat State Petroleum Corporation Limited and GeoGlobal Resources (India) Inc. (5)  |
| 10.13      | Production Sharing Contract dated September 23, 2005 between the Government of India and GeoGlobal Resources (Barbados) Inc. (7)   |
| 10.14      | Production Sharing Contract dated September 23, 2005 between the Government of India, Gujarat State Petroleum Corporation Limited, GAIL (India) Ltd., Jubilant Capital Pvt. Ltd. and GeoGlobal Resources (Barbados) Inc. (7)               |
| 10.15      | Production Sharing Contract dated March 2, 2007 between the Government of India, Oil India Limited and GeoGlobal Resources (Barbados) Inc. (9)   |

- 10.16 Production Sharing Contract dated March 2, 2007 between the Government of India, Oil India Limited and GeoGlobal Resources (Barbados) Inc. (9)
- 10.17 Production Sharing Contract dated March 2, 2007 between the Government of India, Oil India Limited, Hindustan Petroleum Corpn. Ltd. and GeoGlobal Resources (Barbados) Inc. (9)
- 10.18 Production Sharing Contract dated March 2, 2007 between the Government of India and GeoGlobal Resources (Barbados) Inc. (9)
- 10.19 Form of Warrant Certificate issued to subscribers relating to the offer and sale of Units from June 2007 financing (10)
- 10.20 Compensation Option dated June 20, 2007 between the Company and Primary Capital Inc. for the issuance of 170,400 compensation options (10)
- 10.21 Compensation Option dated June 20, 2007 between the Company and Jones, Gable & Company Limited for the issuance of 170,400 compensation options (10)
- 10.22 Joint Operating Agreement dated August 7, 2003 between Gujarat State Petroleum Corporation Limited, Jubilant Enpro Limited and GeoGlobal Resources (India) Inc. (11)
- 10.23 Production Sharing Contract dated April 12, 2000 between the Government of India, Oil & Natural Gas Corporation Limited, Gujarat State Petroleum Corporation Limited and Hindustan Oil Exploration Company Limited (12)
- 10.24 Amendment No. 2 to Production Sharing Contract dated April 12, 2000 between the Government of India, Oil & Natural Gas Corporation Limited, Gujarat State Petroleum Corporation Limited and Hindustan Oil Exploration Company Limited effective August 24, 2006 (12)
- 10.25 Description of terms of oral consulting agreement between GeoGlobal Resources Inc. and Amicus Services Inc. (14)
- 10.26 Chapman Petroleum Engineering Report dated January 1, 2010 effective December 31, 2009 (15)

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|       |   |
|-------|---|
| 10.27 | Joint Bidding Agreement dated August 27, 2002 between Gujarat State Petroleum Corporation Limited, Jubilant ENPRO Limited and GeoGlobal Resources (India) Incorporated (17)   |
| 10.28 | Securities Purchase Agreement dated October 12, 2010 between GeoGlobal Resources Inc. and purchasers relating to the issuance of 2,941,177 Units (18)   |
| 10.29 | Financial Services Agreement dated October 29, 2010 with an effective date of August 29, 2003 between GeoGlobal Resources Inc. And D.I. Investments Ltd. (19)   |
| 10.30 | Joint Operating Agreement dated October 6, 2010 between IPC Oil and Gas (Israel) Limited Partnership, Emanuelle Energy Limited, Emanuelle Energy Oil and Gas Limited Partnership, The Israel Land and Development Company Limited, IDB Development Corporation Limited, Modiin Energy Limited Partnership and Blue Water Oil and Gas Exploration Limited (as Non-Operators) and GeoGlobal Resources (India) Inc. (20) |
| 10.31 | Joint Operating Agreement dated October 6, 2010 between IPC Oil and Gas (Israel) Limited Partnership, Emanuelle Energy Limited, Emanuelle Energy Oil and Gas Limited Partnership, The Israel Land and Development Company Limited, IDB Development Corporation Limited, Modiin Energy Limited Partnership and Blue Water Oil and Gas Exploration Limited (as Non-Operators) and GeoGlobal Resources (India) Inc. (20) |
| 10.32 | Employment Agreement dated November 18, 2010 with an effective date of August 17, 2010 between Mr. Sunil S. Karkera and GeoGlobal Resources Inc. (21)   |
| 10.33 | Employment Agreement dated November 18, 2010 with an effective date of August 17, 2010 between Mr. Allan J. Kent and GeoGlobal Resources Inc. (21)  |
| 10.34 | Employment Agreement executed January 27, 2011 with an effective date of January 1, 2011 between Mr. Paul B. Miller and GeoGlobal Resources Inc. (22)   |
| 10.35 | Chapman Petroleum Engineering Report dated January 1, 2011 effective December 31, 2010 (23)   |
| 10.36 | International Operating Agreement dated February, 2011 and effective March 8, 2011 between Adira Geoglobal Ltd, Adira Oil Technologies Ltd., Brownstone Venture Inc., Pinetree Capital Ltd., and GeoGlobal Resources (India) Inc. (23)  |
| 10.37 | Amended Chapman Petroleum Engineering Report dated January 1, 2011 effective December 31, 2011 (24)   |
| 10.38 | Stock Purchase Agreement dated November 21, 2011 between GeoGlobal Resources Inc. and The Israel Land Development Company – Energy Ltd. (25)  |
| 10.39 | Securities Purchase and Exchange Agreement dated November 21, 2011 between GeoGlobal Resources Inc. and The Israel Land Development Company – Energy Ltd. (25)  |
| 10.40 | Registration Rights Agreement dated November 21, 2011 between GeoGlobal Resources Inc. and The Israel Land Development Company – Energy Ltd. (25)   |
| 10.41 | Amended Chapman Petroleum Engineering Report dated January 1, 2011 effective December 31, 2011 (26)   |
| 10.42 | <u>Chapman Petroleum Engineering Report dated January 1, 2012 effective December 31, 2011 (27)</u>  |
| 14.1  | Code of Ethics (15)   |
| 21.1  | <u>Subsidiaries of the Registrant (27)</u>  |
| 23.1  | <u>Consent of KPMG LLP (27)</u>   |
| 23.2  | <u>Consent of Ernst &amp; Young LLP (27)</u>  |
| 31.1  |   |



Certification of President and Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (27)

31.2 Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (27)

32.1 Certification of President and Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (27)

32.2 Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (27)

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- (1) Filed as an Exhibit to Neuro Navigational Corporation Form 10-KSB No. 0-25136 dated September 30, 1994.
- (2) Filed as an Exhibit to our Current Report on Form 8-K dated December 10, 1998.
- (3) Filed as exhibit 10.1 to our Quarterly Report on Form 10-QSB for the quarter ended March 31, 2003.
- (4) Filed as an exhibit to our Current Report on Form 8-K for August 29, 2003.
- (5) Filed as an Exhibit to our Form 10-KSB dated April 1, 2004.
- (6) Filed as an Exhibit to our Form 10-KSB/A dated April 28, 2004.
- (7) Filed as an Exhibit to our Quarterly Report on Form 10-QSB for the quarter ended September 30, 2005.
- (8) Filed as an Exhibit to our Current Report on Form 8-K dated January 31, 2006.
- (9) Filed as an Exhibit to our Quarterly Report on Form 10-Q for the quarter ending March 31, 2007.
- (10) Filed as an Exhibit to our Current Report on Form 8-K dated June 27, 2007.
- (11) Filed as an Exhibit to our Current Report on Form 8-K dated August 14, 2007.
- (12) Filed as an Exhibit to our Form 10-K dated June 4, 2008.
- (13) Filed as an Exhibit to our Form S-8 dated December 31, 2008.
- (14) Filed as an Exhibit to our Form 10-K dated March 26, 2009.
- (15) Filed as an Exhibit to our Form 10-K dated March 31, 2010.
- (16) Filed as Exhibit 3.2 to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.
- (17) Filed as an Exhibit to our Current Report on Form 8-K for August 30, 2010.
- (18) Filed as an Exhibit to our Current Report on Form 8-K for October 12, 2010.
- (19) Filed as an Exhibit to our Current Report on Form 8-K for October 29, 2010.
- (20) Filed as an Exhibit to our Current Report on Form 8-K for November 8, 2010.
- (21) Filed as an Exhibit to our Current Report on Form 8-K for November 18, 2010.
- (22) Filed as an Exhibit to our Current Report on Form 8-K for January 28, 2011.
- (23) Filed as an Exhibit to our Form 10-K dated March 31, 2011.
- (24) Filed as an Exhibit to our Form 10-K/A dated April 5, 2011.
- (25) Filed as an Exhibit to our Current Report on Form 8-K for November 19, 2011.
- (26) Filed as an Exhibit to our Form 10-K/A dated January 13, 2012.
- (27) Filed herewith.

GEOGLOBAL RESOURCES INC.  
(a development stage enterprise)

CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND DECEMBER 31, 2010  
(in United States dollars)

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Directors of GeoGlobal Resources Inc.

We have audited the accompanying consolidated balance sheets of GeoGlobal Resources Inc. and subsidiaries (a development stage enterprise) as of December 31, 2011 and 2010 and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2011 and for the period from August 21, 2002 (inception) to December 31, 2011. These consolidated financial statements are the responsibility of GeoGlobal Resources Inc.'s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. The cumulative statements of operations and comprehensive loss, stockholders' equity and cash flows for the period from August 21, 2002 (inception) to December 31, 2011 include amounts for the period from August 21, 2002 (inception) to December 31, 2002 and for each of the years in the four-year period ended December 31, 2006, which were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the period from August 21, 2002 through December 31, 2006 is based solely on the report of other auditors.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of GeoGlobal Resources Inc. and subsidiaries (a development stage enterprise) as of December 31, 2011 and 2010, and its consolidated results of operations and its consolidated cash flows for each of the years in the three-year period ended December 31, 2011 and from the period from August 21, 2002 (inception) to December 31, 2011, in conformity with U.S. generally accepted accounting principles.

The accompanying consolidated financial statements have been prepared assuming that GeoGlobal Resources Inc. will continue as a going concern. As discussed in note 2 to the consolidated financial statements, GeoGlobal Resources Inc. has suffered recurring losses from operations and has a deficit accumulated during the development stage that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), GeoGlobal Resources Inc.'s internal control over financial reporting as of December 31, 2011, based on the criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 28, 2012, expressed an unqualified opinion on the effectiveness of GeoGlobal Resources Inc.'s internal control over financial reporting.

(signed) KPMG LLP  
Calgary, Canada  
March 28, 2012



Report of Independent Registered Public Accounting Firm

To the Stockholders and Directors of GeoGlobal Resources Inc.

We have audited GeoGlobal Resources Inc.'s internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). GeoGlobal Resources Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Controls Over Financial Reporting. Our responsibility is to express an opinion on the GeoGlobal Resources Inc.'s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, GeoGlobal Resources Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of GeoGlobal Resources Inc. and its subsidiaries (a development stage enterprise) as of December 31, 2011 and 2010, and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2011 and for the period from August 21, 2002 (inception) to December 31, 2011, and our report dated March 28, 2011 expressed an unqualified opinion on those consolidated financial statements.

(signed) KPMG LLP  
Calgary, Canada  
March 28, 2011

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders Of  
GeoGlobal Resources Inc.

We have audited the accompanying consolidated statement of operations and comprehensive loss of GeoGlobal Resources Inc., a development stage enterprise, and the related consolidated statements of stockholders' equity and cash flows for the cumulative period from inception on August 21, 2002 to December 31, 2006 (not separately presented herein). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated results of its operations, changes in shareholders and its cash flows for the cumulative period from inception on August 21, 2002 to December 31, 2006 (not separately presented herein) in conformity with United States generally accepted accounting principles.

CALGARY, ALBERTA  
June 5, 2008

"Ernst & Young LLP" (signed)  
CHARTERED ACCOUNTANTS



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GEOGLOBAL RESOURCES INC.  
(a development stage enterprise)  
CONSOLIDATED BALANCE SHEETS

|   | December<br>31, 2011 | December<br>31, 2010 |
|---|----------------------|----------------------|
|   | \$                   | \$                   |
| <b>Assets</b>   |                      |                      |
| <b>Current</b>  |                      |                      |
| Cash and cash equivalents (note 20)                       | 10,480,734           | 7,751,105            |
| Restricted deposits (notes 4 and 20)                      | 40,378,075           | 2,034,000            |
| Accounts receivable (note 20)                             | 19,615,153           | 2,317,180            |
| Prepaid expenses and deposits (note 20)                   | 573,300              | 398,404              |
|   | 71,047,262           | 12,500,689           |
| Restricted deposits (notes 4 and 20)                      | --                   | 5,018,000            |
| Equity Method Investment (note 5)                         | 1,340,262            | --                   |
| Property and equipment (notes 6, 11 and 12)               | 42,580,105           | 41,375,680           |
|   | 114,967,629          | 58,894,369           |
| <b>Liabilities</b>  |                      |                      |
| <b>Current</b>  |                      |                      |
| Accounts payable (note 20)                                | 72,356,548           | 6,834,061            |
| Accrued liabilities                                       | 555,236              | 1,682,504            |
| Due to related companies (note 12)                        | 66,330               | 27,555               |
|   | 72,978,114           | 8,544,120            |
| Deferred income taxes (note 14)                           | 42,471               | 61,000               |
| Asset retirement obligation (note 7)                      | 724,241              | 680,144              |
|   | 73,744,826           | 9,285,264            |
| <b>Stockholders' Equity</b>                               |                      |                      |
| <b>Capital stock (note 9)</b>                             |                      |                      |
| <b>Authorized</b>   |                      |                      |
| 200,000,000 common stock with a par value of \$0.001 each |                      |                      |
| 1,000,000 preferred stock with a par value of \$0.01 each |                      |                      |
| <b>Issued</b>   |                      |                      |
| 99,213,572 common stock (December 31, 2010 – 82,746,933)  | 84,622               | 68,155               |
| Additional paid-in capital                                | 101,305,069          | 97,099,997           |
| Deficit accumulated during the development stage          | (60,166,888 )        | (47,559,047)         |
|   | 41,222,803           | 49,609,105           |
|   | 114,967,629          | 58,894,369           |

See Going Concern (note 2), Commitments (note 16), Contingencies (note 17) and Subsequent Events (note 18)

The accompanying notes are an integral part of these Consolidated Financial Statements.

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## GEOGLOBAL RESOURCES INC.

(a development stage enterprise)

## CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

|   | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31, 2010 | Year ended<br>Dec 31,<br>2009 | Period from<br>Inception,<br>Aug 21,<br>2002<br>to Dec 31,<br>2011 |
|---|----------------------------|----------------------------|-------------------------------|--|
|   | \$                         | \$                         | \$                            | \$   |
| <b>Revenue and other income</b>                                     |                            |                            |                               |  |
| Oil and gas sales   | 559,551                    | 790,342                    | 661,922                       | 2,011,815  |
| Interest income   | 32,969                     | 52,607                     | 299,550                       | 5,946,703  |
| Gain on sale of equipment   | --                         | --                         | --                            | 42,228   |
|   | 592,520                    | 842,949                    | 961,472                       | 8,000,746  |
| <b>Expenses</b>   |                            |                            |                               |  |
| Operating   | 138,341                    | 173,297                    | 98,878                        | 410,516  |
| General and administrative  | 3,657,547                  | 3,193,328                  | 2,986,967                     | 17,437,459   |
| Consulting fees (note 12)   | 866,085                    | 652,359                    | 822,652                       | 8,177,787  |
| Professional fees   | 1,167,945                  | 827,995                    | 1,085,056                     | 5,960,816  |
| Depletion and depreciation  | 379,562                    | 824,304                    | 352,637                       | 1,875,382  |
| Accretion (note 7)  | 53,209                     | 41,289                     | 55,619                        | 182,319  |
| Foreign exchange (gain) loss  | 26,013                     | 23,501                     | (16,090 )                     | 144,181  |
| Impairment of oil and gas properties (note 6)                       | 6,870,000                  | 13,789,000                 | --                            | 30,757,015   |
|   | 13,158,702                 | 19,525,073                 | 5,385,719                     | 64,945,475   |
| Net loss before tax   | (12,566,182)               | (18,682,124)               | (4,424,247)                   | (56,944,729)   |
| Current income tax benefit (expense) (note 14)                      | (60,188 )                  | (45,500 )                  | --                            | (105,688 )   |
| Deferred income tax benefit (expense) (note 14)                     | 18,529                     | (61,000 )                  | --                            | (42,471 )  |
| Net loss and comprehensive loss for the year                        | (12,607,841)               | (18,788,624)               | (4,424,247)                   | (57,092,888)   |
| Warrant modification (note 10)                                      | --                         | --                         | (1,754,000)                   | (3,074,000 )   |
| Net loss and comprehensive loss attributable to common stockholders | (12,607,841)               | (18,788,624)               | (6,178,247)                   | (60,166,888)   |
| Basic and diluted net loss per share (note 13)                      | (0.15 )                    | (0.25 )                    | (0.09 )                       |  |

The accompanying notes are an integral part of these Consolidated Financial Statements.

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## GEOGLOBAL RESOURCES INC.

(a development stage enterprise)

## CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

|  | Number<br>of Shares<br># | Capital Stock<br>\$ | Additional<br>paid-in<br>capital<br>\$ | Accumulated<br>Deficit | Stockholders' Equity<br>\$ |
|--|--------------------------|---------------------|--|------------------------|----------------------------|
| For the period from inception August 21, 2002 to December 31, 2008 |                          |                     |  |                        |                            |
| Common stock issued  | 58,150,068               | 58,214              | 76,660,911                             | --                     | 76,719,125                 |
| Capital stock of GeoGlobal at August 29, 2003                      | 14,656,688               | 14,657              | --                                     | 10,914,545             | 10,929,202                 |
| Elimination of GeoGlobal capital stock in                          |                          |                     |  |                        |                            |
| recognition of reverse takeover                                    | (1,000 )                 | (14,657 )           | --                                     | (10,914,545)           | (10,929,202 )              |
| Share issuance cost  | --                       | --                  | (4,778,844 )                           | --                     | (4,778,844 )               |
| 2007 Compensation Options  | --                       | --                  | 705,456                                | --                     | 705,456                    |
| 2005 Stock Purchase Warrant modification                           | --                       | --                  | 1,320,000                              | (1,320,000 )           | --                         |
| 2005 Compensation Option & Warrant modification                    | --                       | --                  | 240,000                                | --                     | 240,000                    |
| Stock-based compensation   | --                       | --                  | 10,407,150                             | --                     | 10,407,150                 |
| Net loss   | --                       | --                  | --                                     | (21,272,176)           | (21,272,176 )              |
| Balance as at December 31, 2008                                    | 72,805,756               | 58,214              | 84,554,673                             | (22,592,176)           | 62,020,711                 |
| Compensation option and warrant modification                       |                          |                     |  |                        |                            |
| modification   | --                       | --                  | 264,000                                | --                     | 264,000                    |
| Stock purchase warrant modification                                | --                       | --                  | 1,754,000                              | (1,754,000 )           | --                         |
| Stock-based compensation   | --                       | --                  | 1,581,105                              | --                     | 1,581,105                  |
| Net loss   | --                       | --                  | --                                     | (4,424,247 )           | (4,424,247 )               |
| Balance as at December 31, 2009                                    | 72,805,756               | 58,214              | 88,153,778                             | (28,770,423)           | 59,441,569                 |
| Common stock issued for private placements                         |                          |                     |  |                        |                            |
| placements   | 9,941,177                | 9,941               | 8,440,059                              | --                     | 8,450,000                  |
| Share issuance cost  | --                       | --                  | (463,804 )                             | --                     | (463,804 )                 |
| Stock-based compensation   | --                       | --                  | 969,964                                | --                     | 969,964                    |
| Net loss   | --                       | --                  | --                                     | (18,788,624)           | (18,788,624 )              |
| Balance as at December 31, 2010                                    | 82,746,933               | 68,155              | 97,099,997                             | (47,559,047)           | 49,609,105                 |
| Common stock issued for private placements (note 9)                |                          |                     |  |                        |                            |
| placements (note 9)  | 16,466,639               | 16,467              | 3,935,526                              | --                     | 3,951,993                  |
| Share issuance costs (note 9)                                      | --                       | --                  | (625,000 )                             | --                     | (625,000 )                 |
| Stock-based compensation (note 11)                                 | --                       | --                  | 894,546                                | --                     | 894,546                    |
| Net loss   | --                       | --                  | --                                     | (12,607,841)           | (12,607,841 )              |
| Balance as at December 31, 2011                                    | 99,213,572               | 84,622              | 101,305,069                            | (60,166,888)           | (41,222,803 )              |

The accompanying notes are an integral part of these Consolidated Financial Statements.

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## GEOGLOBAL RESOURCES INC.

(a development stage enterprise)

## CONSOLIDATED STATEMENTS OF CASH FLOWS

|  | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31, 2010 | Year ended<br>Dec 31, 2009 | Period from<br>Inception,<br>Aug 21,<br>2002<br>to Dec 31,<br>2011 |
|--|----------------------------|----------------------------|----------------------------|--|
|  | \$                         | \$                         | \$                         | \$   |
| <b>Cash flows provided by (used in) operating activities:</b>                      |                            |                            |                            |  |
| Net loss   | (12,607,841)               | (18,788,624)               | (4,424,247 )               | (57,092,888)   |
| <b>Adjustments to reconcile net loss to net cash used in operating activities:</b> |                            |                            |                            |  |
| Accretion expense  | 53,209                     | 41,289                     | 55,619                     | 182,319  |
| Impairment of oil and gas properties   | 6,870,000                  | 13,789,000                 | --                         | 30,757,015   |
| Depletion and depreciation   | 379,562                    | 824,304                    | 352,637                    | 1,875,382  |
| Gain on sale of equipment  | --                         | --                         | --                         | (42,228 )  |
| Stock-based compensation (note 11)   | 659,978                    | 717,629                    | 918,685                    | 8,208,194  |
| Compensation option and warrant modification                                       | --                         | --                         | 264,000                    | 504,000  |
| Deferred income taxes benefit (expense)  | (18,529 )                  | 61,000                     | --                         | 42,471   |
| Changes in non-cash working capital (note 19)                                      | 327,024                    | (711,636 )                 | 714,647                    | 365,961  |
|  | (4,336,597 )               | (4,067,038 )               | (2,118,659 )               | (15,199,774)   |
| <b>Cash flows provided by (used in) investing activities:</b>                      |                            |                            |                            |  |
| Oil and natural gas property additions   | (8,206,171 )               | (9,039,941 )               | (11,222,450)               | (66,298,897)   |
| Other property and equipment additions   | (22,360 )                  | (19,849 )                  | (34,174 )                  | (1,597,684 )   |
| Proceeds on sale of equipment  | --                         | --                         | --                         | 82,800   |
| Cash acquired on acquisition   | --                         | --                         | --                         | 3,034,666  |
| Restricted deposits (notes 4 and 20)   | (33,326,075)               | (127,000 )                 | 3,875,000                  | (41,548,075)   |
| Investment in equity investee  | (1,340,262 )               | --                         | --                         | (1,340,262 )   |
| Changes in non-cash working capital (note 19)                                      | 46,634,101                 | (3,276,259 )               | 362,465                    | 52,407,936   |
|  | 3,739,233                  | (12,463,049)               | (7,019,159 )               | (55,259,516)   |
| <b>Cash flows provided by (used in) financing activities:</b>                      |                            |                            |                            |  |
| Proceeds from issuance of common stock   | 3,951,993                  | 8,450,000                  | --                         | 88,014,158   |
| Share issuance costs   | (625,000 )                 | (463,804 )                 | --                         | (5,162,192 )   |
| Changes in non-cash working capital (note 19)                                      | --                         | --                         | --                         | (1,911,942 )   |
|  | 3,326,993                  | 7,986,196                  | --                         | 80,940,024   |
| Net increase (decrease) in cash and cash equivalents                               | 2,729,629                  | (8,543,891 )               | (9,137,818 )               | 10,480,734   |
| Cash and cash equivalents, beginning of the year                                   | 7,751,105                  | 16,294,996                 | 25,432,814                 | --   |
| Cash and cash equivalents, end of the year   | 10,480,734                 | 7,751,105                  | 16,294,996                 | 10,480,734   |
| <b>Cash and cash equivalents</b>   |                            |                            |                            |  |
| Current bank accounts  | 9,680,413                  | 158,879                    | 163,280                    | 9,680,413  |
| Short term deposits  | 800,321                    | 7,592,226                  | 16,131,716                 | 800,321  |
|  | 10,480,734                 | 7,751,105                  | 16,294,996                 | 10,480,734   |

|                                 |        |        |        |
|---------------------------------|--------|--------|--------|
| Cash taxes paid during the year | 93,583 | 73,775 | 17,750 |
|---------------------------------|--------|--------|--------|

The accompanying notes are an integral part of these Consolidated Financial Statements.

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GeoGlobal Resources Inc.

(a development stage enterprise)

Notes to the Consolidated Financial Statements

December 31, 2011

1. Organization and Nature of Operations

The Company is engaged in the pursuit of petroleum and natural gas through exploration and development in India, Israel and Colombia. The Company is a Delaware corporation with common stock listed and traded on the NYSE Amex Exchange under the symbol GGR.

As of December 31, 2011, the Company has not achieved its planned principal operations from its oil and gas operations. Accordingly, the Company's activities are considered to be those of a "Development Stage Enterprise". Among the disclosures required by this status is that the Company's financial statements be identified as those of a development stage enterprise. In addition, the statements of operations and comprehensive loss, stockholders' equity and cash flows are required to disclose all activity since the Company's date of inception. The Company will continue to prepare its financial statements and related disclosures as those of a development stage enterprise until such time that the Company achieves planned principal operations.

The Company's wholly owned subsidiary, GeoGlobal Resources (Israel) Limited, commenced operations during the year-ended December 31, 2011. The subsidiary administers the operations of the Myra and Sara licenses and controls the current assets and current liabilities held on behalf of the joint venture partners with participating interests in the licenses. As a result of this subsidiary commencing operations, the current assets and liabilities of the Company may not be comparable.

2. Going Concern

The Company has not achieved its planned principal operations and is considered to be in the development stage. The Company's exploration activities and overhead expenses are financed by way of equity issuance and to-date, oil and gas sales are incidental to the exploration process.

The Company's financial statements as at and for the year ended December 31, 2011 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. During the year ended December 31, 2011, the Company incurred a net loss of approximately \$12.6 million, used approximately \$4.3 million of cash flow in its operating activities and had an accumulated deficit of approximately \$60.2 million. As at December 31, 2011, the Company has working capital deficiency of approximately \$1.9 million. These matters raise doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon obtaining the necessary financing to complete further exploration and development activities and generate profitable operations from its oil and natural gas interests in the future. The Company must make an assessment of its ability to fulfill current liabilities and to meet future exploration requirements in the normal course of business. The assessment requires estimates regarding future uncommitted financing, future costs of exploration programs, timing of activities, future oil and gas prices, amongst other things. Should those estimates be materially incorrect, the Company's ability to continue as a going concern would be impaired and these audited financial statements could require material adjustments to the value of assets and liabilities. These financial statements do not reflect any such adjustments or reclassifications.

The Company's cash balance at December 31, 2011 and anticipated cash flow from operating activities are not sufficient to satisfy its current liabilities and meet its exploration commitments of \$16.9 million and \$39.8 million, over the twelve months ending December 31, 2012 and the three years ending December 31, 2014, respectively. To meet these obligations, it will be necessary to raise capital through equity markets, debt markets or other financing arrangements, which could include the sale of oil and gas interests or participation arrangements in oil and gas interests. If these activities are unsuccessful, the Company may be forced to substantially curtail or cease exploration and development expenditures.

As described in note 18, subsequent to December 31, 2011, the Company completed a private placement offering which raised \$625,000 and will be used to reduce the working capital deficiency. The Company also received stockholder approval to the Israel Land Development Company – Energy Ltd. Transactions.

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GeoGlobal Resources Inc.  
(a development stage enterprise)  
Notes to the Consolidated Financial Statements  
December 31, 2011

3. Significant Accounting Policies

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned. These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. A significant portion of the Company's activities are conducted jointly with others and the consolidated financial statements reflect only the Company's proportionate interest in such activities. Investment in companies where the Company has the ability to exercise significant influence but not control, are accounted for using the equity method. All inter-company balances and transactions have been eliminated on consolidation.

Use of estimates

The preparation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimated amounts due to factors such as fluctuations in interest rates, currency exchange rates, inflation levels and commodity prices, changes in economic conditions and legislative and regulatory changes.

Significant estimates with regard to the consolidated financial statements include going concern assumptions, the impairment assessment of oil and natural gas properties, the estimated cost and timing related to asset retirement obligations, stock-based compensation and contingencies.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks, money market mutual funds and highly liquid debt instruments purchased with an original maturity of three months or less. Certain of the Company's cash balances are maintained in foreign banks. At times, the Company maintains deposits in financial institutions in excess of federally insured limits.

Property and equipment

Oil and natural gas properties

The Company uses the full cost method of accounting for its oil and natural gas properties. Separate cost centers are maintained for each country in which the Company incurs costs. Under this method, the Company capitalizes all acquisition, exploration and development costs incurred for the purpose of finding oil and natural gas reserves, including salaries, benefits and other internal costs directly attributable to these activities. Costs associated with production and general corporate activities, however, are expensed in the period incurred. To the extent that support equipment is used in oil and gas activities, the related depreciation is capitalized. Proceeds from the disposition of oil and natural gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such disposition would alter the depletion and depreciation rate by 25% or more.

Capitalized costs of development oil and natural gas properties may not exceed an amount equal to the present value, discounted at 10%, of estimated future net revenues from proved reserves plus the lower of cost or fair value of unproven properties included in the costs being amortized. Should capitalized costs exceed this ceiling, an impairment is recognized.

The present value of estimated future net cash flows is computed by applying the average first-day-of-the-month prices during the previous twelve-month period of oil and natural gas to estimated future production of proved oil and natural gas reserves as of year-end less estimated future expenditures to be incurred in developing and producing the proved reserves and assuming continuation of existing economic conditions.

Following the discovery of reserves and the commencement of production, the Company computes depletion of oil and natural gas properties using the unit-of-production method based upon production and estimates of proved reserve quantities.

The Company assesses all items classified as unproved property on a quarterly basis for possible impairment or reduction in value. The Company assesses unproved properties on an individual basis or as a group if properties are individually insignificant. The assessment includes consideration of the following factors, among others: land relinquishment; intent to drill; remaining lease term; geological and geophysical evaluations; drilling results and activity; the assignment of proved reserves; and the economic viability of development if proved reserves are assigned. During any period in which these factors indicate an impairment, the related exploration costs incurred are transferred to the full cost pool and are then subject to depletion and the ceiling limitations on development oil and natural gas expenditures.

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GeoGlobal Resources Inc.  
(a development stage enterprise)  
Notes to the Consolidated Financial Statements  
December 31, 2011

3. Significant Accounting Policies (continued)

Others

Property and equipment, other than oil and natural gas properties, are recorded at cost and depreciated over their estimated useful lives which range from three to twenty years on a declining balance basis. The Company reviews the carrying value of property and equipment for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Income taxes

The Company follows the liability method of tax allocation. This method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between financial accounting bases and tax bases of assets and liabilities. The tax benefits of tax loss carry-forwards and other deferred taxes are recorded as an asset to the extent that management assesses the utilization of such assets to be more likely than not. Deferred tax assets and liabilities are measured using the tax rate in effect for the year in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates of deferred tax assets and liabilities is recognized in income in the year of the enacted rate change. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense.

Asset retirement obligations

The fair values of estimated asset retirement obligations are recorded as liabilities when incurred and the associated cost is capitalized as part of the cost of the related asset. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and/or method of settlement. The liabilities are accreted as interest expense for the change in their time value. The initial capitalized costs are included in depletion expense in a manner consistent with the related assets. Changes in the estimated obligation resulting from revisions to the estimated timing or amount of undiscounted cash flows are recognized as a change in the asset retirement obligation and related asset. Actual expenditures incurred are charged against the accumulated obligation.

Stock-based compensation plan

Compensation cost for all share-based payments are based on the estimated fair value and recognized on a straight line basis over the vesting period for the award. The Company accounts for transactions in which it issues equity instruments to acquire goods or services from non-employees based on the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. For awards with graded vesting, in which portions of the award vest in different periods, the Company recognizes compensation costs over the vesting periods for each separate vested tranche.

The fair value of share-based payments is capitalized or expensed, with a corresponding increase to additional paid-in capital for the equity-classified awards, or the share-based payment liability for the liability-classified awards. Upon exercise of stock options, the consideration paid upon exercise is recorded as common stock in additional paid-in capital.

Revenue recognition

Revenue from the sale of crude oil and gas is recognized upon the transfer of custody to the customer.

Comprehensive loss

Comprehensive loss includes all changes in equity except those resulting from investments made by owners and distributions to owners. Comprehensive loss consists only of net loss for all periods presented.

Net loss per share

Basic per share amounts are computed by dividing net loss attributable to common stockholders by the weighted average number of common stock outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common stock were exercised to common stock.

The treasury stock method is used to determine the dilutive effect of the stock options. The treasury stock method assumes any proceeds obtained upon exercise of options would be used to purchase common stock at the average market price during the period. Under the treasury stock method, only options or other dilutive instruments for which the exercise price is less than the market value impact the dilution calculations.

Foreign currency translation

The U.S. dollar is the functional currency of the Company and its subsidiaries. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange in effect at the date of the balance sheet. Non-monetary items are translated at the rate of exchange in effect when the assets are acquired or obligations incurred. Revenues and expenses are translated at average rates in effect during the period, with the exception of depreciation which is translated at historic rates. Exchange gains and losses are charged to operations.

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GeoGlobal Resources Inc.  
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3. Significant Accounting Policies (continued)

Concentration of risk

The majority of the Company's capitalized costs for oil and gas interests are incurred with two major operators in India. The Company relies on these operators in fulfilling its obligations and meeting the terms of its contracts with the Government of India. In addition, the Company relies on these operators for discovering economically recoverable reserves and their ability to market those reserves at prices that will yield a return on our investment to us.

Financial instruments

The Company has estimated the fair value of its financial instruments which include cash and cash equivalents, restricted deposits, accounts receivable, accounts payable, accrued liabilities and amounts due to related companies. The Company used information available as at year end to determine that the carrying amounts of such financial instruments approximate fair value in all cases.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

The following fair value hierarchy establishes a fair value hierarchy that prioritizes the inputs used to measure fair value:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reported date and includes those financial instruments that are valued using models or other valuation methodologies.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

4. Restricted Deposits

The Company's PSCs relating to exploration blocks onshore and offshore India contain provisions whereby the joint venture participants must provide the Government of India a bank guarantee in the amount of 35% of the participant's share of the minimum work program for a particular phase, to be undertaken annually during the budget period April 1 to March 31. These bank guarantees have been provided to the Government of India and serve as guarantees for the performance of such minimum work programs and are in the form of irrevocable letters of credit. Historically, these irrevocable letters of credit were secured by restricted term deposits of the Company in the same amount. Commencing in the second quarter of 2011, Export Development Canada (EDC) commenced providing the performance security guarantees on behalf of the Company against the bank guarantees provided to the Government of India for the period of April 1, 2011 to June 30, 2012.

The Company, on behalf of the Myra and Sara Joint Venture has provided a letter of credit for \$16,000,000 regarding the use of the Noble Homer Ferrington rig. The expiry date of this letter of credit is May 17, 2012 which is secured by a restricted term deposit from the Company of \$11,518,000 (December 31, 2010 - \$nil). The balance amount in the letter of credit of \$4,482,000 is secured by a restricted term deposit pledged from a partner in the Myra and Sara Joint Venture which is included in the Company's consolidated accounts receivable.

The Company, on behalf of the Myra and Sara Joint Venture has provided a letter of credit for \$38,350,000 for rig rental. The expiry date of this letter of credit is July 17, 2012 which is secured by a restricted term deposit from the Company of \$27,592,000 (December 31, 2010 - \$nil). The balance amount in the letter of credit of \$10,758,000 is secured by a restricted term deposit pledged from a partner in the Myra and Sara Joint Venture which is included in the Company's consolidated accounts receivable.

Pursuant to Israeli Customs Authorities, the Company, on behalf of the Myra and Sara Joint Venture, is required to post bank guarantees which represents an 8% to 12% Israeli Custom Duty which is necessary to be posted for all imports of oil and gas equipment and supplies in order to release them from Customs. Upon providing the Custom Authorities the proper required documentation, such that these goods and supplies are exempt from Custom Duties under the Israeli Petroleum law, these bank guarantees are refundable. These bank guarantees have been secured by term deposits of the Company in the same amount. As of December 31, 2011 term deposits amounting to \$534,000 (December 31, 2010 - \$nil) have been provided against the bank guarantees of \$482,000 which is expected to be released on or before December 31, 2012.

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## 4. Restricted Deposits (continued)

The restricted term deposits provided by the Company securing these bank guarantees are as follows:

|   | December<br>31, 2011 | December<br>31, 2010 |
|---|----------------------|----------------------|
|   | \$                   | \$                   |
| Exploration Blocks - India                  |                      |                      |
| Sanand/Miroli                               | --                   | 1,300,000            |
| Ankleshwar                                  | 734,075              | 734,000              |
| DS 03                                       | --                   | 330,000              |
| DS 04                                       | --                   | 1,247,000            |
| KG Onshore                                  | --                   | 900,000              |
| RJ 20                                       | --                   | 1,100,000            |
| RJ 21                                       | --                   | 1,441,000            |
| Exploration Licenses - Israel               |                      |                      |
| Myra and Sara                               | 39,644,000           | --                   |
|   | 40,378,075           | 7,052,000            |
| Less: current portion of restricted deposit | (40,378,075)         | (2,034,000)          |
|   | --                   | 5,018,000            |

The following term deposits are classified as current restricted deposits:

|                               | December<br>31, 2011 | December<br>31, 2010 |
|-------------------------------|----------------------|----------------------|
|                               | \$                   | \$                   |
| Exploration Blocks - India    |                      |                      |
| Sanand/Miroli                 | --                   | 1,300,000            |
| Ankleshwar                    | 734,075              | 734,000              |
| Exploration Licenses – Israel |                      |                      |
| Myra and Sara                 | 39,644,000           | --                   |
|                               | 40,378,075           | 2,034,000            |

Subsequent to December 31, 2011, the term deposit amounting to \$734,075 securing the Ankleshwar bank guarantee has been released.

The performance security guarantees provided by EDC on behalf of the Company against these bank guarantees are as follows (see note 17):

|                            | December<br>31, 2011 | December<br>31, 2010 |
|----------------------------|----------------------|----------------------|
|                            | \$                   | \$                   |
| Exploration Blocks – India |                      |                      |

|            |           |    |
|------------|-----------|----|
| DS 03      | 599,000   | -- |
| DS 04      | 728,000   | -- |
| KG Onshore | 458,500   | -- |
| RJ 20      | 1,374,500 | -- |
| RJ 21      | 897,500   | -- |
|            | 4,057,500 | -- |

#### 5. Equity Method Investment

The Company through its subsidiary, own 40% ownership of Adira Geo Global Ltd. which holds a 30% participating interest in the Samuel licence in Israel. Adira Geo Global is designated operator of the Samuel licence. The Company's ownership in Adira Geo Global is accounted for using the equity method.

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## 6. Property and Equipment

The amounts capitalized as oil and natural gas properties were incurred for the purchase, exploration and ongoing development of various properties.

|   | December<br>31, 2011<br>\$ | December<br>31, 2010<br>\$ |
|---|----------------------------|----------------------------|
| Oil and natural gas properties (using the full-cost method) |                            |                            |
| Unproved properties   | 43,540,400                 | 47,715,032                 |
| Proved properties   | 30,348,218                 | 17,702,000                 |
| Total oil and natural gas properties                        | 73,888,618                 | 65,417,032                 |
| Building  | 889,609                    | 889,609                    |
| Computer, office and other equipment                        | 625,277                    | 602,917                    |
| Total property and equipment                                | 75,403,504                 | 66,909,558                 |
| Accumulated impairment of oil and gas properties            | (30,757,015)               | (23,887,015)               |
| Accumulated depletion of oil and gas properties             | (1,394,200 )               | (1,060,700 )               |
| Accumulated depreciation of equipment                       | (672,184 )                 | (586,163 )                 |
| Total property and equipment, net                           | 42,580,105                 | 41,375,680                 |

The oil and natural gas properties consist of contract interests in 10 exploration blocks in India, 3 exploration licenses held in Israel and 2 exploration licenses held in Colombia.

The Company has capitalized \$604,917 (2010 - \$599,234) of general and administrative costs directly related to exploration activities, including \$234,568 (2010 - \$252,335) of stock-based compensation expense. In addition, the Company has capitalized \$40,088 (2010 - \$56,943) of support equipment depreciation.

## Impairment of Oil and Gas Properties

The Company performed a ceiling test calculation at December 31, 2011, to assess the ceiling limitation of its proved oil and natural gas properties. At December 31, 2011, the Company's net capitalized cost proved oil and natural gas properties did exceed the ceiling test. Accordingly, for the year ended December 31, 2011, the Company charged \$6,870,000 (December 31, 2010 - \$13,789,000 and December 31, 2009 - \$nil) to the statement of operations for impairment charges. The impairment charge of \$6,870,000 was recognized in the fourth quarter of 2011 as a result of ceiling limitation as at December 31, 2011.

## 7. Asset Retirement Obligation

Asset retirement obligations are recorded for legal obligations where the Company will be required to retire, dismantle, abandon and restore tangible long-lived assets. All recognized asset impairment obligations relate to India.

The following table summarizes the changes in the asset retirement obligation:

|  | December<br>31, 2011<br>\$ | December<br>31, 2010<br>\$ |
|--|----------------------------|----------------------------|
| Asset retirement obligation at beginning of year | 680,144                    | 775,000                    |
| Liabilities incurred                             | --                         | --                         |
| Liabilities released                             | (9,112 )                   | (136,145 )                 |
| Accretion expense                                | 53,209                     | 41,289                     |
| Asset retirement obligation at end of year       | 724,241                    | 680,144                    |

For the year ended December 31, 2011 and 2010, no new obligations were incurred. In determining the asset retirement obligations, the estimated cash flows of new obligations incurred during the year ended December 31, 2009 have been discounted at 8%. The total undiscounted inflation-adjusted amount of the estimated cash flows required to settle the obligations is \$1,523,000 (2010 – \$1,543,000), which is expected to be paid after five years and thereafter. The obligations will be settled on an ongoing basis over the useful lives of the operating assets, which extend up to 16 years in the future.

#### 8. Fair Value Measurements

The carrying values of cash and cash equivalents, accounts receivable, restricted deposits, accounts payable, accrued liabilities and amounts due to related companies approximate their fair value due to their short term to maturity.

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## 9. Capital Stock

On November 21, 2011, the Company completed a private placement transaction with The Israel Land Development Company – Energy Ltd. (“ILDE”) and entered into certain other agreements in connection therewith (the “ILDE Transaction” – see Subsequent Event Note 18).

Under the terms of a Stock Purchase Agreement, the Company issued 16,466,639 shares of common stock of the Company to ILDE representing 19.9% of the issued and outstanding capital stock of the Company for total consideration of US\$3,951,993. The placement agent on the Transaction was paid a cash fee of \$234,000. The total share issuance costs of \$625,000 associated with the Transaction were recorded as share issuance costs and reduced additional paid-in capital.

## 10. Warrants

From time to time, the Company may issue compensation options, compensation warrants and or warrants (collectively the “Warrants”) in connection with a finance offering as an incentive to participate in such offerings. The fair value of any Warrants issued is recorded as additional paid-in capital. The fair value of the Warrants is determined using the Black-Scholes option pricing model.

Activity with respect to all Warrants is presented below for the years ended December 31, 2011, 2010 and 2009:

|                                      | 2011      |                                 | 2010      |                                 | 2009      |                                 |
|--------------------------------------|-----------|---------------------------------|-----------|---------------------------------|-----------|---------------------------------|
|                                      | Warrants  | Weighted Average Exercise Price | Warrants  | Weighted Average Exercise Price | Warrants  | Weighted Average Exercise Price |
|                                      | #         | \$                              | #         | \$                              | #         | \$                              |
| Outstanding at the beginning of year | 8,717,363 | 5.44                            | 5,599,716 | 7.91                            | 5,599,716 | 7.91                            |
| Granted                              | --        | --                              | 3,117,647 | 1.00                            | --        | --                              |
| Expired                              | 5,599,716 | 7.91                            | --        | --                              | --        | --                              |
| Outstanding at the end of year       | 3,117,647 | 1.00                            | 8,717,363 | 5.44                            | 5,599,716 | 7.91                            |
| Exercisable at the end of year       | 3,117,647 | 1.00                            | 5,599,716 | 7.91                            | 5,599,716 | 7.91                            |

The weighted average remaining life and exercise price as of December 31, 2011 is summarized below:

| Warrants                | Outstanding Warrants | Weighted Average Remaining Life | Exercisable Warrants | Weighted Average Exercise Price |
|-------------------------|----------------------|---------------------------------|----------------------|---------------------------------|
|                         | #                    | (Months)                        | #                    | \$                              |
| Stock Purchase Warrants | 3,117,647            | 45.5                            | 3,117,647            | 1.00                            |
|                         | 3,117,647            | 45.5                            | 3,117,647            | 1.00                            |

The Stock Purchase Warrants enable the holder to purchase one-half of one common share callable warrant and one-half of one common share non-callable warrant at a specified price up to October 15, 2015.

On May 26, 2009, the Board of Directors approved a two-year extension for all compensation options, Compensation Warrants and Share Purchase Warrants from June 20, 2009 to June 20, 2011. The Company has recorded the incremental difference in the fair value of the original and modified instruments on the date of modification. The resulting incremental fair value of \$1,754,000 associated with the Stock Purchase Warrants was recorded as a charge to the deficit in the year ended December 31, 2009, with a corresponding entry to additional paid-in capital. The resulting incremental fair value of the Compensation Options and the Compensation Warrants of \$264,000 was recorded as a charge to general and administrative expense in the year ended December 31, 2009, with a corresponding entry to additional paid-in capital.

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## 11. Stock Options

## The Company's 1998 stock incentive plan (1998 Plan)

Under the terms of the 1998 Plan, as amended, 12,000,000 common shares were reserved for issuance on exercise of options granted under the 1998 Plan. The 1998 Plan terminated on December 4, 2008 and as such, there are no further options to be granted under the 1998 Plan. However, as at December 31, 2011, there are 1,800,000 options that were granted prior to December 4, 2008 currently outstanding and able to be exercised.

## The Company's 2008 stock incentive plan (2008 Plan)

Under the terms of the 2008 Plan, 12,000,000 common shares have been reserved for issuance on exercise of options granted under the 2008 Plan. As at December 31, 2011, there are 9,210,000 options to issue common stock remaining for grant under the 2008 Plan. The Board of Directors of the Company may amend or modify the 2008 Plan at any time, subject to any required stockholder approval. The 2008 Plan will terminate on the earliest of: (i) May 30, 2018; (ii) the date on which all shares available for issuance under the 2008 Plan have been issued as fully-vested shares; or, (iii) the termination of all outstanding options in connection with certain changes in control or ownership of the Company.

## Stock-based compensation

The Company recognizes compensation cost for stock-based compensation arrangements with employees, non-employee consultants and non-employee directors based on their fair value using the Black-Scholes option-pricing model, such cost to be expensed over the respective vesting periods.

The following table summarizes the classification of stock-based compensation:

|  | Year ended<br>Dec 31,<br>2011<br>\$ | Year ended<br>Dec 31,<br>2010<br>\$ | Year ended<br>Dec 31,<br>2009<br>\$ | Period from<br>Inception,<br>Aug 21,<br>2002<br>to Dec 31,<br>2011<br>\$ |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--|
| <b>Stock-based compensation</b>              |                                     |                                     |                                     |  |
| <b>Consolidated Statements of Operations</b> |                                     |                                     |                                     |  |
| General and administrative                   | 662,232                             | 700,433                             | 778,845                             | 4,794,360  |
| Consulting fees                              | (2,254 )                            | 17,196                              | 139,840                             | 3,413,834  |
|  | 659,978                             | 717,629                             | 918,685                             | 8,208,194  |
| <b>Consolidated Balance Sheets</b>           |                                     |                                     |                                     |  |
| Property and equipment                       | 234,568                             | 252,335                             | 662,420                             | 5,644,572  |
|  | 894,546                             | 969,964                             | 1,581,105                           | 13,852,766   |

At December 31, 2011, the total compensation cost related to non-vested awards not yet recognized was \$64,723 (December 31, 2010 – \$318,647 and December 31, 2009 - \$382,483) which will be recognized over a weighted-average period of twenty-one months. During the years ended December 31, 2011, 2010 and 2009, no

options were exercised.

No income tax benefit has been recognized relating to stock-based compensation expense and no tax benefits have been realized from the exercise of stock options.

The fair value of each option granted was estimated on the date of grant using the Black-Scholes option-pricing model. Weighted average assumptions used in the valuation are disclosed in the following table:

|  | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31, 2010 | Year ended<br>Dec 31, 2009 |
|--|----------------------------|----------------------------|----------------------------|
| Fair value of stock options granted (per option) | \$0.54                     | \$0.90                     | \$0.66                     |
| Risk-free interest rate                          | 3.1%                       | 2.6%                       | 1.5%                       |
| Volatility                                       | 119.8%                     | 129.7%                     | 115.0%                     |
| Expected life                                    | 9.7 years                  | 8.4 years                  | 3.3 years                  |
| Dividend yield                                   | 0%                         | 0%                         | 0%                         |

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## 11. Stock Options (continued)

## Stock option table

Activity with respect to all stock options is presented below for the years ended December 31, 2011, 2010 and 2009:

|                                       | 2011        |                                 | 2010        |                                 | 2009        |                                 |
|---------------------------------------|-------------|---------------------------------|-------------|---------------------------------|-------------|---------------------------------|
|                                       | Shares      | Weighted Average Exercise Price | Shares      | Weighted Average Exercise Price | Shares      | Weighted Average Exercise Price |
|                                       | #           | \$                              | #           | \$                              | #           | \$                              |
| Outstanding at beginning of year      | 4,550,000   | 2.72                            | 4,440,000   | 3.48                            | 5,325,000   | 3.69                            |
| Granted                               | 1,280,000   | 1.04                            | 1,280,000   | 1.58                            | 280,000     | 1.15                            |
| Exercised                             | --          | --                              | --          | --                              | --          | --                              |
| Expired                               | (1,240,000) | 1.70                            | (1,060,000) | 5.03                            | (1,060,000) | 4.03                            |
| Forfeitures and cancellations         | --          | --                              | (110,000)   | 1.72                            | (105,000)   | 2.67                            |
| Outstanding at end of year            | 4,590,000   | 2.53                            | 4,550,000   | 2.72                            | 4,440,000   | 3.49                            |
| Outstanding aggregate intrinsic value | \$--        |                                 | \$25,000    |                                 | \$711,700   |                                 |
| Exercisable at end of year            | 3,823,501   | 2.80                            | 3,252,500   | 3.04                            | 3,487,500   | 3.99                            |
| Exercisable aggregate intrinsic value | \$--        |                                 | \$--        |                                 | \$240,325   |                                 |

The weighted average remaining life by exercise price as of December 31, 2011 is summarized below:

| Range of Exercise Prices | Outstanding Shares | Weighted Average Remaining Life | Exercisable Shares | Weighted Average Exercise Price |
|--------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| \$                       | #                  | Months                          | #                  | \$                              |
| 0.01 - 0.99              | 774,800            | 95.4                            | 591,467            | 0.67                            |
| 1.00 - 1.99              | 1,369,000          | 91.5                            | 785,834            | 1.34                            |
| 2.00 - 2.99              | 323,800            | 100.9                           | 323,800            | 2.25                            |
| 3.00 - 4.99              | 1,672,400          | 57.4                            | 1,672,400          | 3.67                            |
| 5.00 - 5.99              | 400,000            | 25.9                            | 400,000            | 5.07                            |
| 6.00 - 6.99              | 50,000             | 36.0                            | 50,000             | 6.81                            |
|                          | 4,590,000          | 74.1                            | 3,823,501          | 2.53                            |

## 12. Related Party Transactions

Related party transactions are measured at the exchange amount which is the amount of consideration established and agreed by the related parties.

Roy Group (Mauritius) Inc.

In March 2003, the Company entered into a Participating Interest Agreement with Roy Group (Mauritius) Inc. (a corporate entity controlled by a director and principal stockholder of the Company), whereby the Company assigned and holds in trust for Roy Group (Mauritius) Inc. 50% of the benefits and obligations of the production sharing contract covering the KG Offshore Block leaving the Company with a net 5% participating interest in the KG Offshore Block. The assignment of interest is subject to approval by the Government of India.

Under the terms of the Participating Interest Agreement and until approval by the Government of India, the Company retains the exclusive right to deal with Roy Group (Mauritius) Inc. with regard to the KG Offshore Block and is entitled to make all decisions regarding the interest assigned to Roy Group (Mauritius) Inc. The Company has a right of set-off against sums owing to GeoGlobal by Roy Group (Mauritius) Inc. In the event that the Government of Indian consent is delayed or denied, resulting in either Roy Group (Mauritius) Inc. or the Company being denied an economic benefit it would have realized under the Participating Interest Agreement, the parties have agreed to amend the Participating Interest Agreement or take other reasonable steps to assure that an equitable result is achieved consistent with the parties' intentions contained in the Participating Interest Agreement.

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## 12. Related Party Transactions (continued)

## Roy Group (Barbados) Inc. (RGB)

RGB is a corporate entity controlled by a director and principal stockholder of the Company. Effective August 18, 2010, RGB charges consulting fees based on the time expended to provide technical services to the Company as assigned by the Company and to bring new oil and gas opportunities to the Company. From the period of August 29, 2003 to August 17, 2010, RGB provided services under a Technical Services Agreement for consideration of \$350,000 per year. Consulting fees paid to RGB are as outlined and recorded below:

|  | Year ended<br>Dec 31,<br>2011 | Year ended<br>Dec 31,<br>2010 | Year ended<br>Dec 31,<br>2009 | Period from<br>Inception,<br>Aug 21,<br>2002<br>to Dec 31,<br>2011 |
|--|-------------------------------|-------------------------------|-------------------------------|--|
|  | \$                            | \$                            | \$                            | \$   |
| <b>Consolidated Statements of Operations</b> |                               |                               |                               |  |
| Consulting fees                              | 267,650                       | 209,179                       | 262,500                       | 1,182,996  |
| <b>Consolidated Balance Sheets</b>           |                               |                               |                               |  |
| Property and equipment                       | 192,966                       | 141,532                       | 87,500                        | 1,671,664  |
|  | 460,616                       | 350,711                       | 350,000                       | 2,854,660  |

On January 27, 2011, 200,000 options were granted to the principal of RGB at an exercise price of \$0.75 for 65,000 options, \$1.12 for 65,000 options and \$1.50 for 70,000 options which expire January 27, 2021 and 100,000 options vested on September 30, 2011 and 100,000 options vest on March 31, 2012. No options were granted during the years ended 2010 and 2009 to the principal of RGB. The compensation cost for stock-based compensation arrangements is outlined and recorded below:

## Consolidated Balance Sheets

|                        |        |    |    |        |
|------------------------|--------|----|----|--------|
| Property and equipment | 34,166 | -- | -- | 34,166 |
|------------------------|--------|----|----|--------|

At December 31, 2011, the Company owed RGB \$47,019 (December 31, 2010 - \$16,200) for services provided and expenses incurred on behalf of the Company. These amounts bear no interest and have no set terms of repayment.

## D.I. Investments Ltd. (DI)

DI is a corporate entity controlled by an officer of the Company. DI charged consulting fees to the Company up to August 17, 2010 for management, financial and accounting services rendered. Subsequent to August 17, 2010, the officer's compensation is included in general and administrative expenses. Consultancy fees paid to DI are as outlined and recorded below:

|  | Year ended | Year ended | Year ended | Period from<br>Inception, |
|--|------------|------------|------------|---------------------------|
|  |            |            |            |                           |

|  | Dec 31,<br>2011 | Dec 31,<br>2010 | Dec 31,<br>2009 | Aug 21,<br>2002<br>to Dec 31,<br>2011 |
|--|-----------------|-----------------|-----------------|---------------------------------------|
| <b>Consolidated Statements of Operations</b> | \$              | \$              | \$              | \$                                    |
| Consulting fees                              | --              | 133,827         | 212,750         | 1,261,042                             |

At December 31, 2011, the Company owed DI \$nil (December 31, 2010 – \$nil).

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## 13. Per Share Amounts

The following table presents the reconciliation between basic and diluted income per share:

|  | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31, 2010 | Year ended<br>Dec 31,<br>2009 |
|--|----------------------------|----------------------------|-------------------------------|
|  | \$                         | \$                         | \$                            |
| Net loss available to common stockholders              | (12,607,841)               | (18,788,624)               | (6,178,247)                   |
| Weighted average number of common stock outstanding:   |                            |                            |                               |
| Basic  | 83,178,224                 | 74,878,761                 | 68,107,126                    |
| Impact of securities convertible into common stock     | 2,603                      | 658,423                    | 19,014                        |
| Diluted  | 83,180,827                 | 75,537,184                 | 68,126,140                    |
| Per share amounts                                      |                            |                            |                               |
| Basic and diluted                                      | (0.15 )                    | (0.25 )                    | (0.09 )                       |
| Securities excluded from denominator as anti-dilutive: |                            |                            |                               |
| Stock options  | 4,440,000                  | 4,020,000                  | 4,160,000                     |
| Warrants   | 3,117,647                  | 4,966,200                  | 4,966,200                     |
| Compensation options                                   | --                         | 535,944                    | 535,944                       |
| Compensation option warrants                           | --                         | 97,572                     | 97,572                        |
|  | 7,557,647                  | 9,619,716                  | 9,759,716                     |

## 14. Income Taxes

## Income tax expense

The Company or its subsidiaries operate in the United States, Canada, Barbados and India and the Company is subject to taxation in each of these jurisdictions. The income tax expense (benefit) reported differs from the amount computed by applying the United States statutory rate to income (loss) before income taxes for the following items:

|   | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31, 2010 | Year ended<br>Dec 31,<br>2009 | Period from<br>Inception,<br>Aug 21, 2002<br>to Dec 31,<br>2011 |
|---|----------------------------|----------------------------|-------------------------------|---|
|   | \$                         | \$                         | \$                            | \$  |
| Net loss before tax                                   | (12,566,182)               | (18,682,124)               | (4,424,246)                   | (56,944,729)  |
| US statutory tax rate                                 | 34.0%                      | 34.0%                      | 35.0%                         |   |
| Expected income tax benefit                           | (4,272,502 )               | (6,351,922 )               | (1,548,486)                   | (19,619,155)  |
| Excess of US statutory tax rate over foreign tax rate | 2,635,299                  | 4,834,656                  | 244,407                       | 11,622,095  |

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|                                       |              |            |            |              |
|---------------------------------------|--------------|------------|------------|--------------|
| Non-deductible expenditures           | 233,786      | 577,343    | 496,471    | 3,536,297    |
| Expiry of capital losses              | --           | --         | --         | 2,061,731    |
| Expiry of non-capital losses          | --           | --         | --         | 2,175,950    |
| Acquisition and utilization of losses | --           | --         | --         | (4,467,769 ) |
| Tax rate differential                 | 2,863        | 368,262    | 150,479    | 55,772       |
| Other                                 | 6,619        | 10,203     | (11,346 )  | 236,111      |
|                                       | (1,393,935 ) | (561,458 ) | (668,475 ) | (4,398,968 ) |
| Valuation allowance                   | 1,435,594    | 667,958    | 668,475    | 4,547,127    |
| Total income tax expense              | 41,659       | 106,500    | --         | 148,159      |

The Company recognizes interest and penalties related to unrecognized tax benefits within the provision for income taxes on continuing tax benefits. There are no unrecognized tax benefits that if recognized would affect the tax rate. The Company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction, state jurisdictions and other foreign jurisdictions.

The Company is no longer subject to US federal or non-US income tax examinations for years before 2007. There are no income tax examinations currently in process.

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## 14. Income Taxes (continued)

## Deferred income taxes

The Company provides for deferred taxes on temporary differences between the financial statements and tax basis of assets using the enacted tax rates that are expected to apply to taxable income when the temporary differences are expected to reverse. Significant components of the Company's deferred tax assets and liabilities that result from loss carry forwards and temporary differences between the financial statement basis and tax basis of assets and liabilities are summarized as follows:

|  | Year ended<br>Dec 31,<br>2011<br>\$ | Year ended<br>Dec 31,<br>2010<br>\$ |
|--|-------------------------------------|-------------------------------------|
| Difference between tax base and reported amounts of property and equipment | 664,441                             | 465,118                             |
| Non-capital loss carry forwards  | 3,840,215                           | 2,585,415                           |
|  | 4,504,656                           | 3,050,533                           |
| Valuation allowance  | (4,547,127)                         | (3,111,533)                         |
| Deferred income tax asset/(liability)                                      | (42,471 )                           | (61,000 )                           |

To date, the Company has incurred operating losses since inception. This general pattern does not allow the Company to project sufficient sources of future taxable income to offset our net deferred tax assets. Under these current circumstances, it is management's opinion that the realization of these tax attributes does not reach the "more likely than not" criteria, and as a result, a valuation allowance has been recorded to off-set the net deferred tax asset at December 31, 2011.

## Loss carry forwards

At December 31, 2011, the Company has non-capital loss carry forwards to reduce taxable income for income tax purposes in the various jurisdictions as outlined below which have not been reflected in these consolidated financial statements:

| Tax Jurisdiction | Amount<br>\$ | Expiry<br>Dates<br>Commence<br>(year) |
|------------------|--------------|---------------------------------------|
| United States    | 10,316,000   | 2023                                  |
| Canada           | 401,000      | 2026                                  |
| Barbados         | 5,031,000    | 2013                                  |
| Israel           | 427,000      | --                                    |
|                  | 16,175,000   |                                       |

At December 31, 2011, there are no capital losses to carry forward.

## 15. Segmented Information

The majority of the Company's oil and natural gas exploration activities is conducted in India and Israel. All of the oil and gas sales are generated from India and are sold within Indian markets. Management of the Company considers the operations of the Company as on a country-by-country basis. The following information relates to the Company's geographic areas of operation.

|                             | December<br>31, 2011 | December<br>31, 2010 |
|-----------------------------|----------------------|----------------------|
|                             | \$                   | \$                   |
| Property and equipment, net |                      |                      |
| India                       | 36,965,510           | 39,693,301           |
| Israel                      | 5,388,030            | 1,459,476            |
| Colombia and Canada         | 226,565              | 222,903              |
|                             | 42,580,105           | 41,375,680           |

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## 16. Commitments

Pursuant to current production sharing contracts, the Company is required to perform minimum exploration activities that include various types of surveys, acquisition and processing of seismic data and drilling of exploration wells. In the event that the Company fails to fulfill minimum exploration activities by the end of the relevant exploration phase or early termination of the contract by the Government of India, the Company is liable to pay to the Government of India the amount which would be required to complete the unfinished portion of the minimum exploration activities. These obligations have not been provided for in the financial statements.

The Company has completed the minimum work programs on the Tarapur, Mehsana, Ankleshwar and Sanand-Miroli blocks for all the phases. Accordingly, all financial commitments have been met under the terms of the PSCs.

The following table sets forth the end dates to perform minimum work programs pursuant to current production sharing contracts:

|                | End dates of      |                   |                   |
|----------------|-------------------|-------------------|-------------------|
|                | Phase I (1) (2)   | Phase II          | Phase III         |
| KG Onshore (3) | February 15, 2012 | February 15, 2015 | N/A               |
| DS 03 (4)      | September 3, 2010 | September 3, 2011 | September 3, 2013 |
| DS 04          | June 6, 2012      | June 6, 2015      | N/A               |
| RJ 20 (5)      | January 20, 2012  | January 20, 2015  | N/A               |
| RJ 21 (6)      | January 20, 2012  | January 20, 2015  | N/A               |

(1) All exploration properties are currently in Phase I.

- (2) Government of India policies provide an option for a six-month extension without penalty to complete the minimum work program commitments. The Company must file an application for the six-month extension, and if approved by the Government of India, the end date for Phase II remains unchanged.
- (3) The end date of Phase I for this block expired on February 15, 2012. The Company applied for a six month extension, which has been approved and accordingly Phase I now expires on August 15, 2012. The Company also experienced delays in obtaining certain pre-requisite permits from local government authorities. Such delays are considered excusable under the Government of India policy, and the Company has applied for an extension equivalent to the time of the delay. If approved, the expiration date for Phase I would be December 10, 2014. The Company anticipates this application will be approved.
- (4) The Company experienced delays in obtaining clearance from various departments of the Government of India which was required to conduct an aeromagnetic survey over the block. Such delays are considered excusable under the Government of India policy, and as a result the Company has applied for an extension equivalent to the time of the delay. If approved, the end date for Phase I, II and III would be November 30, 2012, 2013 and 2015, respectively. The Company anticipates this application will be approved.

(5)

The end date of Phase I for this block expired on January 20, 2012. The Company applied for a six month extension, which has been approved and accordingly Phase I now expires on July 20, 2012.

- (6) The end date of Phase I for this block expired on January 20, 2012. The Company has not applied for the six month extension. The joint venture partners have advised they do not intend to complete the minimum work program and to relinquish their interests in the block. The Company however intends to complete its share of the minimum work program and is pursuing possible arrangements with the Government of India whereby the Company can continue exploration in the property. Such relinquishments by the joint venture partners, the determination of any ensuing penalties, and any arrangement under which the Company would be permitted to continue exploration in the absence of its joint venture partners is subject to approval by the Government of India.

As described in Note 2, the Company's existing cash balance at December 31, 2011 and the anticipated cash flow from operating activities are not sufficient to satisfy its current obligations and to meet its exploration commitments over the twelve months ending December 31, 2012 and the three years ending December 31, 2014. The Company is considering various alternatives to remedy any future shortfall in capital. The Company deems it necessary to raise capital for continued exploration and development expenditures through equity markets, debt markets or other financing arrangements, which could include the sale of the Company's oil and gas interests or participation arrangements in those interests. There can be no assurance that these capital resources will be available and if they are not, the Company may be forced to substantially curtail or cease exploration and development expenditures.

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## 16. Commitments (continued)

The anticipated payments due under these agreements in effect are as follows:

|                     | Operating Leases | Production Sharing<br>Contracts relating to India | Licenses relating to Israel |
|---------------------|------------------|---|-----------------------------|
|                     | \$               | \$  | \$                          |
| 2012                | 241,000          | 13,928,000  | 2,923,000                   |
| 2013                | 16,000           | 12,739,000  | --                          |
| 2014                | --               | 10,247,000  | --                          |
| 2015 and thereafter | --               | --  | --                          |
|                     | 257,000          | 36,914,000  | 2,923,000                   |

In June 2010, the Operator of the KG Onshore Block approved an increase of the Company's participating interest from 10% to 20%, subject to Government of India approval. Upon Government of India approval, the Company's commitments would increase by \$4.9 million in 2012, \$7.6 million in 2013 and \$10.2 million in 2014. To date, the approval has not been granted.

The Company has office lease commitments in Calgary, Alberta, Canada and Herzliya, Israel which expire January 2013 and July 2012, respectively.

## 17. Contingencies

## GSPC Dispute

GSPC, the Operator of the KG Offshore Block in which the Company has a net 5% carried interest, has been seeking from the Company, payment of its pro rata portion of the amount by which the sums expended by GSPC under all phases for the minimum work program as set forth in the PSC for the KG Offshore Block in carrying out exploration activities on the block exceeds the amount that GSPC deems to be the Company's pro rata portion of a financial commitment under all phases included in the parties' joint bid for the award of the KG Offshore Block by the Government of India.

GSPC contends that this excess amount is not within the terms of the Carried Interest Agreement and asserts that the Company is required to pay 10% of the exploration expenses over and above gross costs of \$109.7 million (10% being \$10.97 million) (including the net 5% interest of Roy Group (Mauritius) Inc.) plus interest.

GSPC advised the Company on November 5, 2008 that the minimum work program for the KG Offshore Block had been completed in September 2008. Further, GSPC elected to undertake an additional work program over and above the minimum work program as either Joint Operations or as Exclusive Operations under the terms of the PSC and advised that the Company must elect whether to participate in these additional exploration activities as a Joint Operation or alternatively, GSPC would conduct these drilling activities as Exclusive Operations, as defined in the PSC.

On November 13, 2008 the Company advised GSPC that it exercised its right to participate in the drilling operations proposed in the November 5, 2008 GSPC letter as a Joint Operation under the terms of the PSC and Joint Operating Agreement and pursuant to the terms of our Carried Interest Agreement with GSPC. As such, the Company continues to be of the view that it is carried for 100% of its entire share of any and all costs during the additional exploration phase prior to the start of initial commercial production and that the Carried Interest Agreement extends through the exploration period of the PSC.

In August 2010 GSPC advised the Company that it is of the view that the technical and other advice provided by the Company in the preparation of the parties' original bid document submitted to the Government of India in 2002 under NELP-III has proven to be incorrect causing GSPC's costs in the project to exceed its estimate. GSPC asserts that by reason of the foregoing the Carried Interest Agreement between the parties is void and consequently the PSC to which the Government of India is party and the Joint Operating Agreement are also void.

The Company has advised GSPC that under the terms of the Carried Interest Agreement (the terms of which are also incorporated into the PSC and the Joint Operating Agreement) they have no right to such payment under the Carried Interest Agreement. The Company has advised GSPC that the Company fulfilled its obligations under the Carried Interest Agreement to provide extensive technical assistance without any further remuneration other than the carried interest, all in accordance with the terms of the Carried Interest Agreement. The Company obtained the opinion of Indian legal counsel who has advised that under the terms of the agreements between the parties, and in particular the Carried Interest Agreement, the Company is not liable to pay any amount to GSPC for costs or expenses incurred or otherwise before reaching the stage of commercial production.

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17. Contingencies (continued)

The Company disputes these positions of GSPC and the conclusions reached by GSPC and continues to state that the Company holds a gross 10% interest in the KG Offshore Block (including the 5% interest of Roy Group (Mauritius) Inc.). In a KG Offshore Block Management Committee meeting held in October, 2010, the Management Committee (of which the Government of India is a member) advised GSPC to resolve these issues with the Company at the earliest and requested GSPC to maintain the status quo until the issues are resolved.

Based upon the audited accounts of the joint venture for the KG Offshore Block, the total costs incurred to March 31, 2010 were \$1.447 billion (10% being \$144.7 million of which 50% is for the account of Roy Group (Mauritius) Inc.). Further, based upon the budget for the fiscal year April 1, 2010 to March 31, 2011 and fiscal year April 1, 2011 to March 31, 2012, total costs projected for the period April 1, 2010 to December 31, 2011 were \$1.183 billion (10% being \$118.33 million). Therefore, management estimates that the amount of GSPC's claim as of December 31, 2011 to be approximately \$263.03 million plus interest, if any, of which 50% is for the account of Roy Group (Mauritius) Inc. The Company disputes this assertion of GSPC. The Company believes that the likelihood of an unfavourable outcome of this dispute is remote and accordingly, as at December 31, 2011, no amount has been accrued in the consolidated financial statements. However, the fact of the dispute has been disclosed.

The Company intends to vigorously protect its contractual rights in accordance with the dispute resolution process under the Carried Interest Agreement, the PSC and the Joint Operating Agreement as may be appropriate. In September 2007, the Company commenced discussions with GSPC in an effort to reach an amicable resolution. A number of draft settlement proposals have been put forward by the Company to GSPC seeking to settle this dispute amicably. Subsequent to the October 2010 Management Committee meeting the Company's management has again met with senior management of GSPC to continue its effort to reach an amicable resolution. However, no settlement agreement has been reached as of March 29, 2012 and there can be no assurance that this matter will be settled amicably.

Export Development Canada

In the second quarter of 2011, Export Development Canada (EDC) commenced providing the performance security guarantees on behalf of the Company against the bank guarantees provided to the Government of India for the period of April 1, 2011 to June 30, 2012. These bank guarantees are in the form of irrevocable letters of credit and are provided to the Government of India in the amount of 35% of the participant's share of the minimum work program for a particular phase and serve as guarantees for the performance of such minimum work programs.

In consideration of EDC providing the performance security guarantees, the Company has agreed to fully indemnify EDC against all claims and demands made in respect of these performance security guarantees.

18. Subsequent Events

a) ILDE Transaction

On November 21, 2011, the Company completed a private placement transaction with The Israel Land Development Company – Energy Ltd. ("ILDE") and entered into certain other agreements in connection therewith (the "ILDE Transaction").

In connection with the ILDE Transaction, The Company and ILDE entered into a Securities Purchase and Exchange Agreement, pursuant to which the Company has agreed, upon receiving stockholder approval to (a) issue ILDE 32,740,479 shares of Common Stock of the Company and 16,466,639 Warrants to purchase shares of the Company's Common Stock at \$0.30 in exchange for 28,402,262 ordinary shares of ILDE and (b) grant ILDE the right, exercisable in whole or in part through July 31, 2012 to purchase 16,466,639 Units, each Unit consisting of one share of the Company's Common Stock at \$0.24 and one Warrant to purchase shares of the Company's Common Stock at \$0.30.

On February 10, 2012, the Company received stockholder approval to the ILDE Transaction and it is expected to close on or before March 29, 2012. The Company agreed to issue 1,975,996 additional Warrants to purchase Common Stock to the placement agent. Moreover, under the Securities Purchase and Exchange Agreement, ILDE is entitled to up to a 50% participation right in the total of any issuances during the period from November 21, 2011 to May 1, 2012.

b) Private Placement

On March 2, 2012, the Company completed a private placement offering and issued 2,500,000 Units at a price of \$0.25 per Unit for gross proceeds of \$625,000. Each Unit consists of one share of the Company's Common Stock and one Warrant to purchase one additional share of Common Stock of the Company at an exercise price of \$0.32 until March 2, 2014.

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## 19. Supplemental Disclosure of Cash Flow Information

Changes in non-cash working capital were as follows:

|   | Year ended<br>Dec 31, 2011 | Year ended<br>Dec 31,<br>2010 | Year ended<br>Dec 31,<br>2009 |
|---|----------------------------|-------------------------------|-------------------------------|
|   | \$                         | \$                            | \$                            |
| (Increase) decrease in non-cash working capital |                            |                               |                               |
| Accounts receivable                             | (17,297,973)               | (2,253,149)                   | 165,611                       |
| Prepays and deposits                            | (174,896 )                 | (225,086 )                    | 68,741                        |
| Accounts payable                                | 65,522,487                 | (1,899,551)                   | 3,886,099                     |
| Accrued liabilities                             | (1,127,268 )               | 485,890                       | (3,133,977)                   |
| Due to related companies                        | 38,775                     | (95,999 )                     | 90,638                        |
| Net change in non-cash working capital          | 46,961,125                 | (3,987,895)                   | 1,077,112                     |
| Relating to:                                    |                            |                               |                               |
| Operating activities                            | 327,024                    | (711,636 )                    | 714,647                       |
| Investing activities                            | 46,634,101                 | (3,276,259)                   | 362,465                       |
|   | 46,961,125                 | (3,987,895)                   | 1,077,112                     |

## 20. Supplemental Disclosure of Joint Venture Working Capital

The Company, through its wholly-owned subsidiary as Operator of the Myra and Sara licenses, controls the current assets and current liabilities held on behalf of the Myra and Sara joint venture until those assets are expended or liabilities settled through the exploration activities in the licenses. The following table outlines the presentation of amounts included in these consolidated financial statements. The assets are committed to exploration activities in the Myra and Sara licenses and not available to the Company for use in general operations or other exploration activities.

|                               | December 31, 2011 | December 31, 2010 |
|-------------------------------|-------------------|-------------------|
|                               | \$                | \$                |
| Cash and cash equivalents     | 8,964,000         | --                |
| Accounts receivable           | 15,607,000        | --                |
| Restricted deposits           | 39,644,000        | --                |
| Prepaid expenses and deposits | 265,000           | --                |
| Accounts payable              | 64,480,000        | --                |

## 21. Supplementary Oil and Gas Information (Unaudited)

This supplementary oil and natural gas information is provided in accordance with the United States Financial Accounting Standards Board ("FASB") Topic 932 – "Extractive Activities – Oil and Gas".

Net Proved Oil and Natural Gas Reserves

The Company retains qualified independent reserves evaluators to evaluate the Company's proved oil and natural gas reserves.

For the years ended December 31, 2011, 2010 and 2009 the reports by Chapman Petroleum Engineering Ltd. ("Chapman") covered 100% of the Company's oil and natural gas reserves.

Proved oil and natural gas reserves, as defined within the SEC Rule 4-10(a)(22) of Regulation S-X, are those quantities of oil and gas, which, by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs, and under existing economic conditions, operating methods and government regulations prior to the time of which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether determinable or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Developed oil and natural gas reserves are reserves that can be expected to be recovered from existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and through installed extraction equipment and infrastructure operational at the time of the reserves estimate is the extraction is by means not involving a well.

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## 21. Supplementary Oil and Gas Information (Unaudited) (continued)

Estimates of oil and natural gas reserves are subject to uncertainty and will change as additional information regarding producing fields and technology becomes available and as future economic and operating conditions change.

The following table summarizes the Company's proved developed and undeveloped oil and natural gas reserves within India, net of royalties, as at December 31, 2011, 2010 and 2009:

| Oil (MBbls)   | 2011       | 2010       | 2009  |
|---|------------|------------|-------|
| Proved reserves as at January 1                             | 55         | 118        | --    |
| Extensions and discoveries                                  | --         | --         | 131   |
| Technical revisions   | 201        | (52 )      | --    |
| Production  | (5 )       | (11 )      | (13 ) |
| Proved Reserves as at December 31                           | 251        | 55         | 118   |
| Proved - developed:   |            |            |       |
| Producing   | 23         | 55         | 100   |
| Non producing   | --         | --         | 18    |
| Proved - undeveloped  | 228        | --         | --    |
| Reserves, as at December 31                                 | 251        | 55         | 118   |
| Natural Gas (MMcf)  | 2011       | 2010       | 2009  |
| Proved reserves as at January 1                             | 155        | 89         | --    |
| Extensions and discoveries                                  | --         | --         | 105   |
| Technical revisions   | 54         | 88         | --    |
| Production  | (12 )      | (22 )      | (16 ) |
| Proved Reserves as at December 31                           | 197        | 155        | 89    |
| Proved - developed:   |            |            |       |
| Producing   | 59         | 155        | 89    |
| Non producing   | --         | --         | --    |
| Proved - undeveloped  | 138        | --         | --    |
| Reserves, as at December 31                                 | 197        | 155        | 89    |
| Capitalized Costs Related to Oil and Natural Gas Properties |            |            |       |
|   | \$2011     | \$2010     |       |
| Proved properties   | 30,348,218 | 17,702,000 |       |
| Unproved properties   | 43,540,400 | 47,715,032 |       |
|   | 73,888,618 | 65,417,032 |       |
| Less: Accumulated impairment                                | 30,757,015 | 23,887,015 |       |
| Less: Accumulated depletion                                 | 1,394,200  | 1,060,700  |       |
| Net capitalized costs                                       | 41,737,403 | 40,469,317 |       |

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## 21. Supplementary Oil and Gas Information (Unaudited) (continued)

## Cost Incurred in Oil and Natural Gas Activities

|                | \$2011    | \$2010    | \$2009     |
|----------------|-----------|-----------|------------|
| Development    |           |           |            |
| India          | 4,528,855 | 7,618,315 | 4,313,000  |
| Exploration    |           |           |            |
| India          | --        | --        | 7,708,252  |
| Israel         | 3,912,782 | 1,459,476 | --         |
| Colombia       | 29,949    | 135,282   | --         |
| Costs incurred | 8,471,586 | 9,213,073 | 12,021,252 |

## Standardized Measure of Discounted Future Net Cash Flows From Proved Oil and Natural Gas Reserves and Changes Therein

The following standardized measure of discounted future net cash flows from proved oil and natural gas reserves has been computed using the average first-day-of-the-month price during the previous 12-month period, costs as at the balance sheet date and year-end statutory income tax rates. A discount factor of 10% has been applied in determining the standardized measure of discounted future net cash flows. The Company does not believe that the standardized measure of discounted future net cash flows will be representative of actual future net cash flows and should not be considered to represent the fair value of the oil and natural gas properties. Actual net cash flows will differ from the presented estimated future net cash flows due to several factors including:

- Future production will include production not only from proved properties, but may also include production from probable and possible reserves;
  - Future production of oil and natural gas from proved properties may differ from reserves estimated;
    - Future production rates may vary from those estimated;
- Future rather than average first-day-of-the-month prices during the previous 12-month period and costs as at the balance sheet date will apply;
- Economic factors such as changes to interest rates, income tax rates, regulatory and fiscal environments and operating conditions cannot be determined with certainty;
  - Future estimated income taxes do not take into account the effects of future exploration expenditures; and
    - Future development and asset retirement obligations may differ from those estimated.

Future net revenues, development, production and restoration costs have been based upon the estimates referred to above. The following tables summarize the Company's future net cash flows relating to proved oil and natural gas reserves based on the standardized measure as prescribed in FASB Topic 932 – "Extractive Activities – Oil and Gas":

|   | \$2011      | \$2010      | \$2009      |
|---|-------------|-------------|-------------|
| Future cash inflows                                 | 25,869,000  | 5,208,000   | 11,567,000  |
| Future operating costs                              | (4,561,000) | (1,513,000) | (2,637,000) |
| Future development and asset retirement obligations | (6,272,000) | (84,000)    | (84,000)    |
| Future income taxes                                 | --          | --          | (110,000)   |

|   |              |            |              |
|---|--------------|------------|--------------|
| Future net cash flows                               | 15,036,000   | 3,611,000  | 8,736,000    |
| 10% annual discount for timing of future cash flows | (6,741,000 ) | (755,000 ) | (2,932,000 ) |
| Standardized measure of future net cash flows       | 8,295,000    | 2,856,000  | 5,804,000    |

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## 22. Selected Quarterly Information (Unaudited)

The following represents selected quarterly financial information for 2011 and 2010:

|  | For the three months ended |             |              |              |
|--|----------------------------|-------------|--------------|--------------|
|  | March 31                   | June 30     | September 30 | December 31  |
|  | \$                         | \$          | \$           | \$           |
| 2011                                   |                            |             |              |              |
| Oil and gas sales                      | 142,912                    | 108,114     | 195,300      | 113,225      |
| Interest income                        | 10,414                     | 9,788       | 7,528        | 5,239        |
| Net loss                               | (1,481,417)                | (1,649,683) | (1,255,464)  | (8,221,277 ) |
| Net loss per share – basic and diluted | (0.02 )                    | (0.02 )     | (0.02 )      | (0.10 )      |
| 2010                                   |                            |             |              |              |
| Oil and gas sales                      | 191,217                    | 234,672     | 220,435      | 144,018      |
| Interest income                        | 18,355                     | 11,302      | 9,958        | 12,992       |
| Net loss                               | (1,028,044)                | (1,084,673) | (1,167,928)  | (15,480,971) |
| Net loss per share – basic and diluted | (0.01 )                    | (0.01 )     | (0.02 )      | (0.21 )      |

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

GeoGlobal Resources Inc.

By: /s/ Sunil Karkera  
 Sunil Karkera  
 Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

| Signature                                  | Title  | Date           |
|--|--|----------------|
| /s/ Paul B. Miller<br>Paul B. Miller       | Director, President and Chief Executive Officer    | March 28, 2012 |
| /s/ Sunil Karkera<br>Sunil Karkera         | Chief Financial Officer “Chief Accounting Officer” | March 28, 2012 |
| /s/ Michael J. Hudson<br>Michael J. Hudson | Director   | March 28, 2012 |
| /s/ David D. Conklin<br>David D Conklin    | Director (and Chairman of the Board)               | March 28, 2012 |
| /s/ Anoop Poddar<br>Anoop Poddar           | Director   | March 28, 2012 |
| /s/ Ohad Marani<br>Ohad Marani             | Director   | March 28, 2012 |

