

QUARTERLY ACTIVITIES REPORT AND ASX APPENDIX 4C FOR PERIOD ENDING 31 DECEMBER 2017

During the December 2017 Quarter, Global Energy Ventures (ASX: GEV) secured its vision of becoming a leading developer of global CNG projects through its acquisition of leading CNG marine transport technology company, SEA NG Corporation (**SeaNG**) and its successful relisting on the ASX following re-compliance with Chapters 1 and 2 of the ASX Listing Rules, as triggered by the acquisition.

GEV is now working towards approval (Full Design Approval) for its CNG Optimum 200 ship design from the American Bureau of Shipping (ABS) and this is progressing on schedule (by mid-2018) and budget.

In the quarter, GEV:

- Completed acquisition of leading marine transport technology company, SEA NG Corporation.
- Successfully relisted on the ASX following re-compliance with Chapters 1 & 2 of the ASX Listing Rules
- Completed A\$4.0 million capital raising to fund acquisition and re-compliance with Chapters 1 & 2
- Outlined its objectives for 2018 as:
 - o Obtaining Full Design Approval for CNG Optimum 200 ships;
 - o Securing all the elements to achieve Financial Close in 2018 of our first CNG project;
 - o Progressing multiple projects to ensure a continuing rollout in 2019; and
 - o Securing access to existing gas resources which GEV considers can be commercialised with its CNG Optimum Technology.
- Progressed the Full Design Approval process for the GEV CNG Optimum 200 ship with ABS - on schedule and on budget.
- The Company appointed Jens Martin Jensen as Non-Executive Director, effective from 1 February 2018. Jens brings extensive experience in structuring, financing and operations across the full value shipping chain, and will lead the Company's CNG shipping activities.
- Subsequent to the quarter ending, the Company announced it had successfully completed a placement to institutional and sophisticated investors to raise \$6.75 million at \$0.40 per share to accelerate the ABS Full Design Approval process for GEV Optimum 200 technology and fast-track project development activities in 2018.
- GEV is aiming to achieve Full Design Approval of the Optimum 200 ship by mid-2018.

An ASX Appendix 4C Report is attached below.

ACQUISITION OF CNG MARINE TRANSPORT TECHNOLOGY COMPANY - SeaNG

In September, GEV executed a legally binding agreement to acquire 100% of SeaNG (including common shares, preferred shares, and debentures). GEV's acquisition of SeaNG aims to deliver on its vision of being a leading developer of global CNG projects.

SeaNG is a Calgary-based company, formed in 2005, focused on the development and implementation of marine CNG transport projects using its proprietary Coselle® System for ship design and transport of CNG. SeaNG is recognised as a world leader in marine CNG.

GEV's acquisition of SeaNG was completed in December when the Company issued 24,100,051 ordinary shares, 15,850,000 performance shares and paid the cash consideration for the acquisition of SeaNG.

In December, GEV announced its reinstatement of Official Quotation on the ASX following its successful re-compliance with Chapters 1 and 2 of the ASX Listing Rules after acquiring SeaNG, as the acquisition had triggered a Change of Nature of the business.

GEV's acquisition of SeaNG aims to accelerate the development of the Company's Atlantic CNG Project, where it plans to transport CNG to the Port Meridian import terminal located in the UK. This is backed by a 20-year gas sale rights agreement for up to 300MMscf/d to Uniper Global Commodities SE (~2.3mtpa of LNG equivalent).

Multiple discussions are underway with owners of identified gas resources in the Atlantic suitable for the transport of CNG to Port Meridian and will expand to include the CNG Optimum Technology as an integrated supply solution for the Atlantic CNG Project.

Following the successful acquisition, the Company formally welcomed SeaNG's founders, David Stenning and the principal inventor of the Optimum Technology John Fitzpatrick to the GEV team. Mr Stenning and Mr Fitzpatrick will lead the development of the CNG Optimum Technology, with the GEV now progressing the 'full class design' approval process from ABS in 2018, allowing the Company to then immediately commence the design and construction of CNG vessels using the CNG Optimum Technology.

GEV outlined its 2018 objectives, which are to:

- Obtain Full Design Approval from ABS for its CNG Optimum 200 ships;
- Secure all the elements to achieve Financial Close in 2018 of its first CNG project;
- Progress multiple projects to ensure a continuing rollout in 2019; and
- Secure access to existing gas resources which GEV considers can be commercialised with the CNG Optimum Technology.

GEV's Optimum Technology had already received 'in principle' support from the ABS. Post quarter-end, GEV announced the ABS approval process for the GEV CNG Optimum 200 ship was progressing on schedule and within budget.

The Company's patented CNG Optimum Technology is revolutionary for the CNG industry as the volume of gas that can be stored on a ship is much larger and as a result the comparative shipping costs is drastically reduced relative to traditional marine CNG technologies. This cost advantage provides an excellent opportunity to deliver CNG projects in the near-term.

The approval process requires designing the ship with special emphasis on the cargo containment and the detailed engineering and testing of the gas containment system. GEV's Calgary team is working with ABS Houston office, the Centre for Engineering Research 'CFER' (Edmonton) and Capilano Maritime Design Ltd. (Vancouver), to achieve Full Design Approval of the GEV CNG Optimum 200 ship in mid-2018.

GEV remains on-track for achieving Full Design Approval from ABS, which is required before the Company can achieve a Financial Close on its first CNG project, which is targeted by end of 2018.

Appointment of Jens Martin Jensen to lead GEV's CNG shipping activities

Subsequent to the December quarter ending, GEV appointed Mr Jens Martin Jensen as a Non-Executive Director of GEV, effective 1 February 2018. Mr Jensen has more than 30 years' experience in shipping and has been involved with more than US\$100 billion in a full range of shipping transactions. He is a partner in Pillarstone Europe, a platform established in 2015 by KKR Credit and John Davison, to partner with European banks to create value by managing their exposure to non-core and underperforming assets on their balance

sheet. Jens will share his time between Pillarstone and GEV.

Prior to joining Pillarstone, Jens spent 11 years working with the John Fredriksen group of shipping companies in a variety of development and commercial roles, including as the CEO of Frontline Management for six years.

Jens will lead Global Shipping Ventures Pty Ltd, a wholly-owned subsidiary of GEV, and will work out of GEV's London office.

The Company believes it is a coup to recruit Jens, with his extensive experience in structuring, financing and operations across the full value shipping chain, a tremendous asset to the Company's CNG shipping activities. Jens will work in parallel with the GEV team in Calgary, Dave Stenning and John Fitzpatrick, who are providing technical expertise and leading the process to achieve Full Design Approval of the CNG-O 200 ship in mid-2018.

Completion of Capital Raisings

In September, GEV announced it had received firm commitments for a A\$4.0 million capital raising at a proposed issue price of A\$0.17, including the participation by Directors subject to shareholder approvals. Maurice Brand (Chairman and CEO) committed to take up A\$340,000 in the capital raising.

GEV advised in December that following shareholder approvals at the Company's Annual General Meeting on 30 November 2017, the capital raising was concluded by the issue of 23,529,412 shares. Maurice Brand participated in the raising for his full approval of A\$340,000.

Subsequent to the quarter ending, the Company announced it had successfully completed a placement to institutional and sophisticated investors to raise \$6.75 million at \$0.40 per share. The funds raise will allow the Company to accelerate the ABS approval process for GEV CNG Optimum 200 ship and fast-track project development activities in 2018.

The Placement was strongly supported by a group of new and existing institutional investors. As a result of the strong demand from new investors, the Board elected to increase the size of the Placement by an additional \$0.75 million, placing the Company in a strong financial position to execute on its strategy in 2018.

Completion of SeaNG Acquisition and the IPP Agreement

GEV issued 24,100,051 ordinary shares and paid the cash consideration for the acquisition of SeaNG. It also issued 15,850,000 performance shares pursuant to the IPP Agreement.

Cleansing Offer

GEV issued 1,000 shares at \$0.20 each for the Cleansing Offer pursuant to the prospectus dated 8 November 2017 and the replacement prospectus dated 20 November 2017.

US Assets

As previously announced and in line with the Company's strategy, Global Energy Ventures advised during the quarter that on 30 December 2017 (US Central Time), it signed a Purchase and Sale Agreement, effective from 1 December 2017, with Viceroy Petroleum LP (Viceroy), an independent oil & gas production and operating company based in Central Texas, for Viceroy to acquire all the Company's rights, title and interest in the Allen Dome and the Blue Ridge fields.

On completion of the sale of these fields GEV will receive US\$341,000 (AUD\$445,000).

Upon the execution of the Purchase and Sale Agreement, Viceroy paid the Company the sum of US\$141,000, with the balance of US\$200,000 to be paid post closing in two payments, being US\$100,000 on or before 1 March 2018 and US\$100,000 on or before 1 June 2018.

Corporate

The Company had approximately \$2,289,000 cash at bank as at 31 December 2017. The cash balance will be further enhanced on settlement of the \$6.75 million capital raising (before costs).

An ASX Appendix 4C Report is attached below.

For further information please contact:

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About Global Energy Ventures Ltd

The Company's mission is to create shareholder value through the delivery of integrated CNG solutions to global gas markets. CNG is a well proven solution with technical and commercial advantages along with being safe and environmentally friendly. This will be achieved by:

- Continuing the roll out of **GEV CNG Optimum Technology** and maintaining global leadership in marine CNG technology;
- Pursue **multiple CNG projects** to improve the probability of success;
- Secure **access to strategic gas resources** that provides for an integrated CNG gas supply solution;
- Offer CNG project stakeholders **flexible commercial arrangements**;
- Employ **world class management** and staff that are leaders in their chosen discipline; and
- Maintain the **highest standards** of efficiency, safety and environmental responsibility.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Global Energy Ventures Ltd

ABN

53 109 213 470

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	23	43
1.2 Payments for		
(a) research and development	(359)	(421)
(b) product manufacturing and operating costs (oil production costs)	(13)	(28)
(c) advertising and marketing	(16)	(26)
(d) leased assets	—	—
(e) staff costs (including sign-on bonuses of US\$300,000 for Canadian inventors)	(696)	(818)
(f) administration and corporate costs	(235)	(412)
1.3 Dividends received (see note 3)	—	—
1.4 Interest received	3	8
1.5 Interest and other costs of finance paid	—	—
1.6 Income taxes paid	—	—
1.7 Government grants and tax incentives	—	—
1.8 Other (project development)	(401)	(427)
1.8 Other (exploration and evaluation)	(16)	(113)
1.9 Net cash from / (used in) operating activities	(1,710)	(2,194)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) businesses (see item 10)	(1,182)	(1,822)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(c) investments	(1,316)	(1,316)
(d) intellectual property	—	—
(e) other non-current assets	—	(2)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	—	—
(b) businesses (see item 10)	—	—
(c) investments	—	—
(d) intellectual property	—	—
(e) other non-current assets	—	—
2.3 Cash flows from loans to other entities	—	—
2.4 Dividends received (see note 3)	—	—
2.5 Other (provide details if material)	—	—
2.6 Net cash from / (used in) investing activities	(2,499)	(3,141)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	4,000	4,000
3.2 Proceeds from issue of convertible notes	—	—
3.3 Proceeds from exercise of share options	—	—
3.4 Transaction costs related to issues of shares, convertible notes or options	(240)	(240)
3.5 Proceeds from borrowings	—	—
3.6 Repayment of borrowings	—	—
3.7 Transaction costs related to loans and borrowings	—	—
3.8 Dividends paid	—	—
3.9 Other (provide details if material)	—	—
3.10 Net cash from / (used in) financing activities	3,760	3,760

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,738	3,865
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,710)	(2,194)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(2,499)	(3,141)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	3,760	3,760

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	—	(1)
4.6	Cash and cash equivalents at end of quarter	2,289	2,289

Note: On 31 January 2018, the Company announced the successful completion of placement for the issue of 16,875,000 shares at an issue price of \$0.40 per share to institutional and sophisticated investors to raise \$6.75 million (before costs).

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,289	2,738
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,289	2,738

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

120

Item 6.1 includes fees, salaries and superannuation paid to directors.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

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8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	—	—
8.2	Credit standby arrangements	—	—
8.3	Other (please specify)	—	—
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	2,429
9.2	Product manufacturing and operating costs	—
9.3	Advertising and marketing	15
9.4	Leased assets	—
9.5	Staff costs	352
9.6	Administration and corporate costs	433
9.7	Other (provide details if material)	—
9.8	Total estimated cash outflows	3,229

Note: On 31 January 2018, the Company announced the successful completion of placement for the issue of 16,875,000 shares at an issue price of \$0.40 per share to institutional and sophisticated investors to raise \$6.75 million (before costs).

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions \$A'000	Disposals \$A'000
10.1	Name of entity	Sea NG Corporation	
10.2	Place of incorporation or registration	Canada	
10.3	Consideration for acquisition or disposal	Cash \$1,749 and Shares \$4,097	
10.4	Total net assets	(\$369) plus intellectual property.	
10.5	Nature of business	CNG Marine Transport	

Performance Shares

On 7 December 2017, Global Energy Ventures Ltd (**GEV**) issued 1,850,000 Class A Performance Shares, 2,200,000 Class B Performance Shares, 2,350,000 Class C Performance Shares, 6,250,000

Class D Performance Shares and 3,200,000 Class E Performance Shares (together “Performance Shares”). All Performance Shares remained on issue at the end of the quarter. All Performance Shares expire on 6 December 2022 (**Expiry Date**) and on achievement of the relevant milestone for each Class of Performance Share, each Performance Share of that class will convert into one ordinary share in the Company. Class A Performance Shares will convert when either (a) a notice to proceed for a contract for the construction of CNG ship(s) for the first project for the marine transportation of compressed natural gas in which GEV has an interest and which is reliant on SeaNG Technology (**Project**) is given (**Notice to Proceed Date**); or (b) when (i) the 30-day VWAP of GEV Shares exceeds A\$0.35 at any time subsequent to 6 December 2017 (**Effective Date**); and (ii) GEV obtains ABS Full Approval for construction of a CNG Ship reliant on the Optimum Technology (**Optimum CNG Ship**) of any size; and (iii) a period of 24 months or more has elapsed since the Effective Date. Class B Performance Shares will convert when either (a) the Notice to Proceed Date occurs; or (b) when (i) the 30-day VWAP of GEV Shares exceeds A\$0.45 at any time subsequent to the Effective Date; and (ii) either GEV obtains ABS Full Approval for construction of an Optimum CNG Ship with net design gas storage capacity exceeding 250 MMscf or a contract for the construction of a CNG Ship for the Project is executed (**Contract Date**); and (iii) a period of 30 months or more has elapsed since the Effective Date. Class C Performance Shares will convert when either (a) the Notice to Proceed Date occurs; or (b) the 30-day VWAP of GEV Shares exceeds A\$0.55 at any time subsequent to the Effective Date; and (ii) the Contract Date occurs; and (iii) a period of 36 months or more has elapsed since the Effective Date. Class D Performance Shares will convert when the Notice to Proceed Date occurs. Class E Performance Shares will convert when a notice to proceed for a contract for the construction of CNG Ship(s) for the first project for the marine transportation of compressed natural gas in which GEV has an interest and which is reliant on SeaNG Coselle Technology is given. If the relevant milestones above are not achieved by the Expiry Date, then each Performance Share in the relevant class will be automatically redeemed by the Company for the sum of A\$0.00001 within 14 days of the Expiry Date. The issue of the Performance Shares was approved at the general meeting of shareholders held on 30 November 2017.

No Performance Shares were converted or cancelled during the quarter. None of the Performance Shares had their vesting conditions met during the quarter.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Jack Toby
(~~Director~~/Company secretary)

Date: 31 January 2018

Print name: Jack Toby

Notes

1. The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.