

GEV SECURES MIDDLE EAST GAS SUPPLY FOR CNG SUPPLY TO INDIA

KEY HIGHLIGHTS:

- GEV has executed Heads of Agreement (*HOA*) with the National Iranian Gas Company (*NIGC*) for a 20-year sale and purchase of 6.85 million m³ of natural gas (~240 MMscf/d) to the Port of Chabahar, Iran.
- GEV plans to install compression and berthing facilities at the Port of Chabahar providing direct access to the Oman Sea.
- GEV's proprietary CNG Optimum 200 ships will be used to deliver gas (~1.5 mtpa of LNG equivalent) to the west coast of India.
- GEV is in advanced negotiations on a gas offtake HOA with a gas buyer in India.

Global Energy Ventures Ltd (**ASX: GEV**), a developer of global integrated Compressed Natural Gas ("CNG") projects, is pleased to advise that it has signed a Heads of Agreement ("HOA") with the National Iranian Gas Company ("NIGC") for the sale and purchase of 6.85 million m³ of natural gas (~240 MMscf/d) to the Port of Chabahar, Iran ("Port") accessing the Oman Sea (refer to Figure 1 below). GEV plans to install compression and berthing facilities at the Port, allowing CNG to be loaded sequentially on to a fleet of six CNG Optimum 200 ships (refer to Figure 2) collectively delivering gas equivalent to ~1.5 mtpa of LNG to the West Coast of India.

Under the terms of the HOA:

- GEV and NIGC will work together to enter into a legally binding 20-year termed gas supply agreement ("Gas Supply Agreement");
- the gas sales price has been based on the Iranian Government's approved gas export pricing formula, to be finalised in the Gas Supply Agreement in order to be internationally competitive; and
- the parties have preliminary agreement on gas specification, gas delivery point, take or pay levels, and delivery pressure in order to commence port design and safety studies.

GEV Chairman & CEO, Maurice Brand said: "The HOA with NIGC is the all-important first step in securing gas supply for our proposed CNG project for marine transport of CNG to the Indian market."

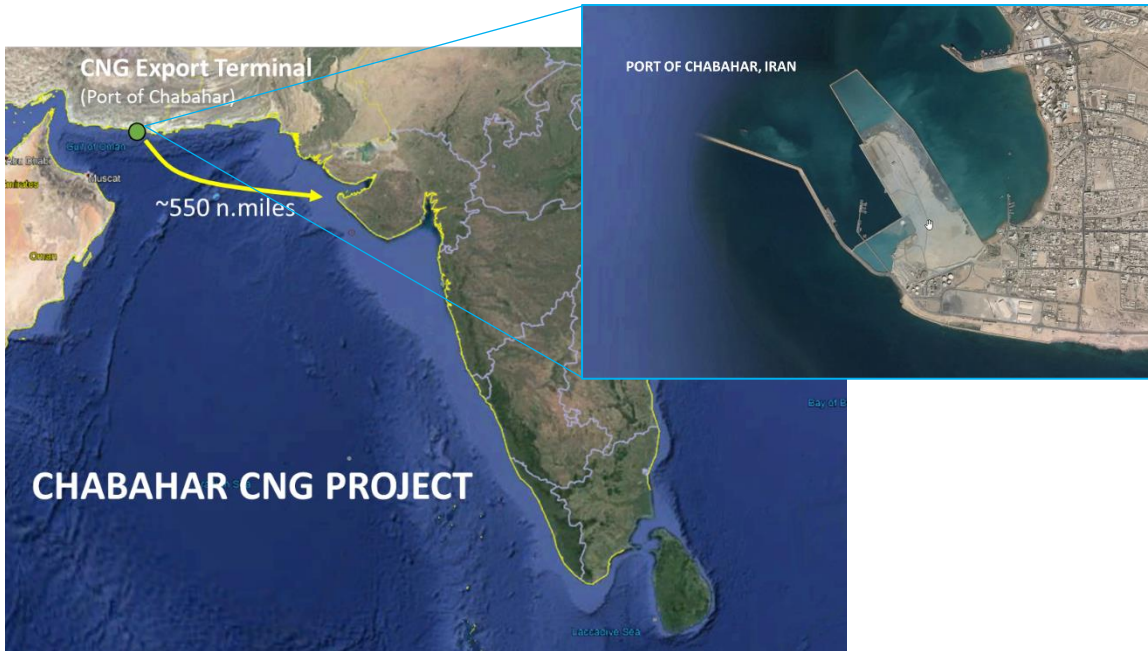
"GEV fully expects the project to expand from initial 240 MMscf/d volume to over 650 MMscf/d in the future, allowing GEV to supply an equivalent of ~5.0 mtpa of LNG from the Port of Chabahar to India by way of marine CNG."

GEV is in advanced negotiations on a gas offtake HOA with an investment grade gas buyer in India and will update the market when finalised.

NIGC are currently constructing a gas pipeline connecting the existing IGAT-7 pipeline to the Port of Chabahar, with completion scheduled for 2019. The Port of Chabahar also has a Free Trade Zone that offers extensive concessions to foreign investors. The development of the Port of Chabahar is a top priority for the Iranian Government, for trading particularly to India.

.../2

Figure 1: Location of the Port of Chabahar, Iran, and proximity to the West Coast of India



Trade ties between Iran and India have been dominated by Indian's importing Iranian crude oil, with India remaining the second largest buyer of crude after China. The Port of Chabahar is significant for India, as it would provide new sea-trading routes and long-term connectivity to Central Asia.

In recent weeks, the Iranian President, Hassan Rouhani, visited India and stated that Iran had vast oil and natural gas resources and it was willing to share them with India for its progress and prosperity. The Iranian President also drew attention to their agreement with India, under which India has committed to invest ~US\$85 million to expand port facilities in Chabahar. Such agreement is being managed by Indian Ports Global Private Ltd ("IPGPL"), a 60:40 joint venture between Jawaharlal Nehru Port Trust ("JNPT") and Deendayal Port Trust (formerly Kandla Port).

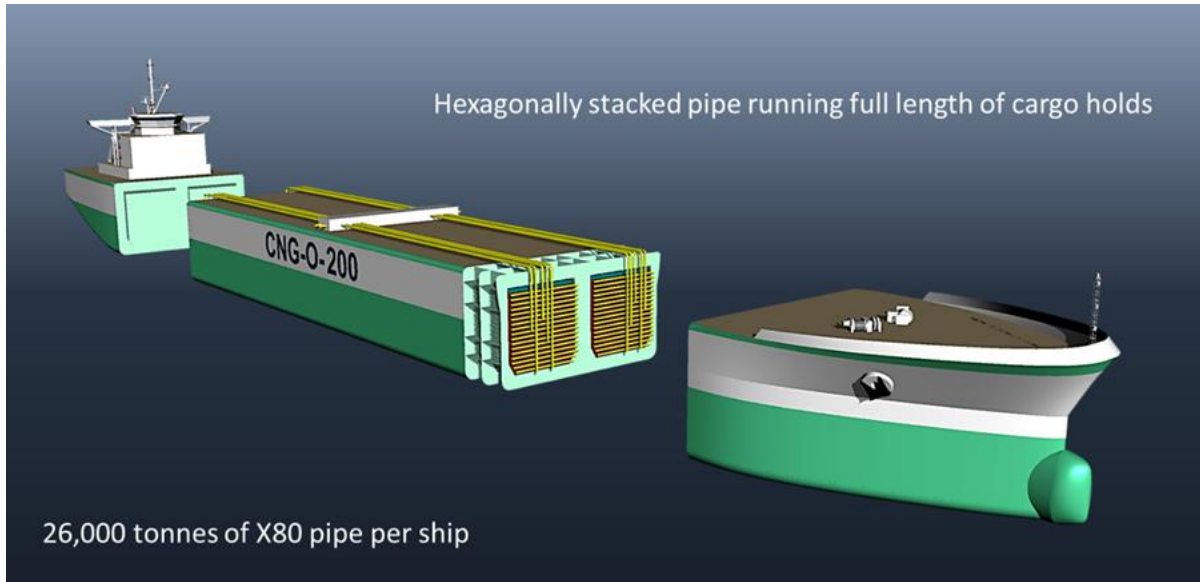
Iran-Australia relationship

Australia's bilateral relationship with Iran is long-standing, with a historically strong trade relationship. The value of Australia's two-way goods and services trade with Iran was \$375 million in the 2015-16 financial year. Following implementation of the JCPOA nuclear deal and the easing of sanctions on Iran, there is potential for increased trade and investment flows. During his September 2016 visit to Iran, Mr Ciobo formally re-opened the Australian trade promotion office in Tehran, managed by Austrade.

In line with the JCPOA nuclear deal, in January 2016, Australia eased its autonomous sanctions, including the removal of sanctions in relation to *(Source: Australian Department of Foreign Affairs and Trade)*:

- doing business in the oil and gas, banking and finance and transport sectors
- providing services to the shipping, petrochemical and military industries
- exporting gold, other precious metals, banknotes and coinage, certain equipment and vessels for the oil, gas or petrochemical industries and naval equipment and technology.

Figure 2: GEV Optimum 200 Ship



For further information please contact:

Maurice Brand
Chairman & CEO
T: +61 8 9322 6955
M: +61 417194678
E: mbrand@gev.com

Simon Hinsley
Investor Relations
T: +61 401 809 653
simon@nwrcommunications.com.au

Jack Toby
Company Secretary
T: +61 8 9322 6955
M: +61 417 962 369
E: jtoby@gev.com

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 maintain 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.