



## Consolidated Financial Report for the Half-Year ended 31 December 2017

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## CORPORATE DIRECTORY

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**DIRECTORS:** Fletcher Maurice Brand (Executive Chairman)  
Garry John Frank Triglavcanin (Executive Director)  
Jens Martin Jensen  
Paul Charles Garner

**COMPANY SECRETARY:** Jack Hugh Toby FCA MACS

**ABN:** 53 109 213 470

**ASX CODE:** GEV

**WEBSITE:** [gev.com](http://gev.com)

**REGISTERED OFFICE:** Ground Floor  
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West Perth, Western Australia 6005

Tel: +61 (8) 9322 6955  
Fax: +61 (8) 6267 8155

**AUDITORS:** Greenwich & Co Audit Pty Ltd  
Level 2, 35 Outram St, West Perth WA 6005  
PO Box 709, West Perth WA 6872

Tel: +61 (8) 9426 4500  
Fax: +61 (8) 9481 5645

**SHARE REGISTRY:** Computershare Investor Services Pty Ltd  
Level 11  
172 St Georges Terrace  
Perth, Western Australia 6000

GPO Box D182  
Perth, Western Australia 6840

Tel: +61 1300 787 272  
Fax: +61 (8) 9323 2033

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## DIRECTORS' REPORT

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The directors of Global Energy Ventures Ltd A.C.N. 109 213 470 ("GEV" or "Company") present their report including the consolidated financial report of the Company and its controlled entities ("Consolidated Entity" or "Group") for the half-year ended 31 December 2017. The Company is a listed public company limited by shares, incorporated and domiciled in Australia.

### DIRECTORS

The names of the directors of the Company who held office during or since the end of the half-year are:-

Fletcher Maurice Brand

Garry John Frank Triglavcanin

Paul Charles Garner

Jens Martin Jensen (appointed 1 February 2018)

### OPERATING RESULTS

The comprehensive operating loss for the Consolidated Entity, after income tax amounted to \$2,901,014.

### SIGNIFICANT CHANGES AND REVIEW OF OPERATIONS

The following significant changes in the state of affairs of the Company occurred during the financial half-year:

During the period, the Company's shareholders approved a change in the scale and nature of the Company's activities and the acquisition of Sea NG Corporation and associated intellectual property rights. The Company was therefore required to re-comply with Chapters 1 and 2 of the ASX Listing Rules. Accordingly, the Companies securities were suspended from official quotation on the Australian Securities Exchange from 30 November 2017 to 15 December 2017.

On 7 December 2017, the Company acquired 100% of Sea NG Corporation (SeaNG), a Calgary based compressed natural gas (CNG) marine transport technology company, and associated CNG intellectual property rights for US\$0.585 million in cash, 24,100,051 ordinary shares and 15,850,000 performance shares, with conversion of the performance shares to ordinary shares based on certain future milestone events. The Effective Date for the acquisition of SeaNG was 6 December 2017.

Also on 7 December 2017, the Company completed a capital raising of A\$4.0 million at an issue price of A\$0.17 pursuant to the prospectus dated 8 November 2017 and the replacement prospectus dated 20 November 2017 and issued 12,000,000 performance rights to directors with conversion to ordinary shares based on certain future milestone events.

On 15 December 2017, the securities of the Company were reinstated to official quotation on the Australian Securities Exchange.

On 30 December 2017, the Company sold all of its US based oil and gas assets for US\$341,000.

### EVENTS SUBSEQUENT TO BALANCE DATE

On 6 February 2018, the Company raised approximately \$6.75 million (before costs) by the issue of 16,876,000 ordinary shares at \$0.40 each. In addition, the Company issued 14,000,000 ordinary shares pursuant to the conversion of Class A, Class B and Class C performance rights and issued a further 600,000 free ordinary shares pursuant to the Company's Employee Share Plan.

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## DIRECTORS' REPORT

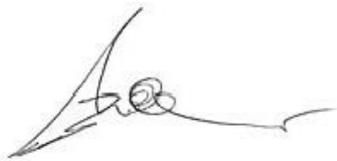
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No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

### AUDITORS INDEPENDENCE DECLARATION

In accordance with the Corporations Act 2001 section 307C the auditors of the Company have provided a signed auditors independence declaration to the directors in relation to the review for the half-year ended 31 December 2017. This declaration has been attached to the independent review report to the members of the Company.

Signed in accordance with a resolution of the directors.



Fletcher Maurice Brand  
Director

14 February 2018  
Perth, Western Australia

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## DIRECTORS' DECLARATION

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The directors of Global Energy Ventures Ltd A.C.N. 055 719 394 ("Company") declare that:

- a) in their opinion the accompanying financial statements and notes of the Consolidated Entity;
  - i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and
- b) In their opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Fletcher Maurice Brand  
Director

14 February 2018  
Perth, Western Australia

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

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|   | Note | Half-Year to 31<br>December<br>2017<br>\$ | Half-Year to 31<br>December<br>2016<br>\$ |
|---|------|---|---|
| Revenue from operating activities                               | 2    | 34,556                                    | 76,382                                    |
| Cost of sales   | 2    | (28,438)                                  | (16,425)                                  |
| <b>GROSS PROFIT</b>   |      | 6,118                                     | 59,957                                    |
| Revenue from non-operating activities                           | 2    | 15,558                                    | 686,578                                   |
| Exploration expenses  | 2    | (281,594)                                 | (538,918)                                 |
| Other expenses  | 2    | (2,641,096)                               | (453,084)                                 |
| <b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX</b>        |      | (2,901,014)                               | (245,467)                                 |
| Income tax  |      | —   | —   |
| <b>LOSS FROM CONTINUING OPERATIONS AFTER INCOME TAX</b>         |      | (2,901,014)                               | (245,467)                                 |
| <b>NET LOSS FOR THE PERIOD</b>                                  |      | (2,901,014)                               | (245,467)                                 |
| <b>OTHER COMPREHENSIVE INCOME</b>                               |      |   |   |
| Exchange differences on translating foreign operations          |      | 357,940                                   | (631,900)                                 |
| Income tax relating to components of other comprehensive income |      | —   | —   |
| <b>OTHER COMPREHENSIVE INCOME AFTER INCOME TAX</b>              |      | 357,940                                   | (631,900)                                 |
| <b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>                  |      | (2,543,074)                               | (877,367)                                 |
| <b>BASIC EARNINGS/(LOSS) PER SHARE (CENTS PER SHARE)</b>        |      | (1.15)                                    | (0.02)                                    |
| <b>DILUTED EARNINGS/(LOSS) PER SHARE (CENTS PER SHARE)</b>      |      | (1.15)                                    | (0.02)                                    |

The accompanying notes form part of this financial report

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

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|                                     | Note | 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|-------------------------------------|------|---------------------------|-----------------------|
| <b>ASSETS</b>                       |      |                           |                       |
| <b>CURRENT ASSETS</b>               |      |                           |                       |
| Cash and cash equivalents           | 3    | 2,289,436                 | 3,864,678             |
| Trade and other receivables         |      | 556,148                   | 77,921                |
| <b>TOTAL CURRENT ASSETS</b>         |      | 2,845,584                 | 3,942,599             |
| <b>NON-CURRENT ASSETS</b>           |      |                           |                       |
| Plant and equipment                 |      | 1,532                     | 615                   |
| Receivables                         |      | 23,240                    | 997                   |
| Investments                         | 4    | 2,639,591                 | 1,323,802             |
| Intellectual Property               | 5    | 6,214,830                 | —                     |
| Capitalised oil and gas expenditure | 6    | —                         | 650,026               |
| <b>TOTAL NON-CURRENT ASSETS</b>     |      | 8,879,193                 | 1,975,440             |
| <b>TOTAL ASSETS</b>                 |      | 11,724,777                | 5,918,039             |
| <b>CURRENT LIABILITIES</b>          |      |                           |                       |
| Trade and other payables            |      | 683,041                   | 190,437               |
| <b>TOTAL CURRENT LIABILITIES</b>    |      | 683,041                   | 190,437               |
| <b>TOTAL LIABILITIES</b>            |      | 683,041                   | 190,437               |
| <b>NET ASSETS</b>                   |      | 11,041,736                | 5,727,602             |
| <b>EQUITY</b>                       |      |                           |                       |
| Issued capital                      | 7    | 53,961,636                | 46,104,428            |
| Reserves                            | 8    | (681,018)                 | (1,038,958)           |
| Accumulated losses                  |      | (42,238,882)              | (39,337,868)          |
| <b>TOTAL EQUITY</b>                 |      | 11,041,736                | 5,727,602             |

The accompanying notes form part of this financial report

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

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|   | <b>Half-Year to 31<br/>December<br/>2017</b> | <b>Half-Year to 31<br/>December<br/>2016</b> |
|---|--|--|
| <b>Note</b>   | <b>\$</b>                                    | <b>\$</b>                                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |  |  |
| Receipts from customers   | 42,593                                       | 83,707                                       |
| Payments to suppliers & employees   | (1,255,603)                                  | (324,619)                                    |
| Production costs  | (28,438)                                     | (33,458)                                     |
| Interest received   | 7,788  | 1,192  |
| Project development   | (847,133)                                    | —  |
| Interest and finance costs paid   | —  | (88,893)                                     |
| Receipts of oil sales held in suspense pending resolution of entitlements | —  | (79,603)                                     |
| Other income  | —  | 8,002  |
|   | <b>(2,080,793)</b>                           | <b>(433,672)</b>                             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                               |  |  |
| Acquisition of oil and gas interests                                      | (2,160)                                      | (35,375)                                     |
| Exploration expenditure   | (113,007)                                    | (804,799)                                    |
| Acquisition of intellectual property                                      | (1,822,140)                                  | —  |
| Purchase of investments   | (1,315,789)                                  | —  |
| Purchase of plant and equipment   | (1,000)                                      | —  |
| Proceeds from sale of oil and gas interests                               | —  | 1,117,690                                    |
| Proceeds from sale of plant and equipment                                 | —  | 58,167                                       |
|   | <b>(3,254,096)</b>                           | <b>335,683</b>                               |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                               |  |  |
| Proceeds from equity issues   | 4,000,200                                    | 2,614,599                                    |
| Capital raising costs   | (240,000)                                    | (78,173)                                     |
| Proceeds from issue of convertible notes                                  | —  | —  |
| Borrowings  | —  | 156,431                                      |
| Repayment of borrowings   | —  | (691,616)                                    |
|   | <b>3,760,200</b>                             | <b>2,001,241</b>                             |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>               | <b>(1,574,689)</b>                           | <b>1,903,252</b>                             |
| Net foreign exchange differences  | (553)  | 3,250  |
| Cash and cash equivalents at beginning of period                          | 3,864,678                                    | 148,537                                      |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                         | <b>2,289,436</b>                             | <b>2,055,039</b>                             |

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The accompanying notes form part of this financial report

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

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**Attributable to Members  
of Global Energy  
Ventures Ltd**

|   | Issued Capital<br>\$ | Option<br>Premium<br>Reserve<br>\$ | Currency<br>Translation<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total Equity<br>\$ |
|---|----------------------|------------------------------------|--|-----------------------------|--------------------|
| <i>At 1 July 2016</i>   | 37,491,165           | 1,665,658                          | (3,261,902)                              | (34,590,479)                | 1,304,442          |
| Currency translation  | —                    | —                                  | (631,900)                                | —                           | (631,900)          |
| Loss for period   | —                    | —                                  | —  | (245,467)                   | (245,467)          |
| <b>SUBTOTAL</b>   | —                    | —                                  | (631,900)                                | (245,467)                   | (877,367)          |
| <i>Transactions with owners<br/>in their capacity as owners</i> |                      |                                    |  |                             |                    |
| Securities issued   | 4,662,028            | 3,500                              | —  | —                           | 4,665,528          |
| Capital raising costs   | (78,173)             | —                                  | —  | —                           | (78,173)           |
| <b>AT 31 DECEMBER 2016</b>                                      | 42,075,020           | 1,669,158                          | (3,893,802)                              | (34,835,946)                | 5,014,430          |

**Attributable to Members  
of Global Energy  
Ventures Ltd**

|   | Issued Capital<br>\$ | Option<br>Premium<br>Reserve<br>\$ | Currency<br>Translation<br>Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total Equity<br>\$ |
|---|----------------------|------------------------------------|--|-----------------------------|--------------------|
| <i>At 1 July 2017</i>   | 46,104,428           | 1,356,492                          | (2,395,450)                              | (39,337,868)                | 5,727,602          |
| Currency translation  | —                    | —                                  | 357,940                                  | —                           | 357,940            |
| Loss for period   | —                    | —                                  | —  | (2,901,014)                 | (2,901,014)        |
| <b>SUBTOTAL</b>   | —                    | —                                  | 357,940                                  | (2,901,014)                 | (2,543,074)        |
| <i>Transactions with owners<br/>in their capacity as owners</i> |                      |                                    |  |                             |                    |
| Securities issued   | 8,097,208            | —                                  | —  | —                           | 8,097,208          |
| Capital raising costs   | (240,000)            | —                                  | —  | —                           | (240,000)          |
| <b>AT 31 DECEMBER 2017</b>                                      | 53,961,636           | 1,356,492                          | (2,037,510)                              | (42,238,882)                | 11,041,736         |

The accompanying notes form part of this financial report

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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**NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Global Energy Ventures Ltd (previously TTE Petroleum Ltd) ("Company") and its controlled entities ("Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new, revised or amending Accounting Standards of Interpretations that are not yet mandatory have not been adopted early.

|  | <b>Half-Year to 31<br/>December<br/>2017</b> | <b>Half-Year to 31<br/>December<br/>2016</b> |
|--|--|--|
|  | \$   | \$   |

**NOTE 2. REVENUE, INCOME AND EXPENSES**

*The loss before income tax expense includes the following revenues and expenses where disclosure is relevant in explaining the performance of the Group:*

**REVENUE FROM CONTINUING OPERATIONS**
*Operating activities*

|  |               |               |
|--|---------------|---------------|
| Oil sales                                      | 34,556        | 76,382        |
| <b>TOTAL REVENUE FROM OPERATING ACTIVITIES</b> | <b>34,556</b> | <b>76,382</b> |

*Non-Operating activities*

|  |               |                |
|--|---------------|----------------|
| Interest received                                  | 7,788         | 1,192          |
| Profit on disposal of oil & gas properties         | 7,770         | —              |
| Unrealised exchange gains                          | —             | 677,384        |
| Other revenue                                      | —             | 8,002          |
| <b>TOTAL REVENUE FROM NON-OPERATING ACTIVITIES</b> | <b>15,558</b> | <b>686,578</b> |

**TOTAL REVENUE FROM CONTINUING OPERATIONS**

|  |               |                |
|--|---------------|----------------|
|  | <b>50,114</b> | <b>762,960</b> |
|--|---------------|----------------|

**CHARGING AS EXPENSES**
*Cost of sales*

|                  |               |               |
|------------------|---------------|---------------|
| Production costs | 28,438        | 16,425        |
|                  | <b>28,438</b> | <b>16,425</b> |

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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|  | Half-Year to 31<br>December<br>2017<br>\$ | Half-Year to 31<br>December<br>2016<br>\$ |
|--|---|---|
| <i>Exploration expenses</i>                |   |   |
| Exploration expenditure written off        | 230,651                                   | 230,098                                   |
| General exploration costs                  | 5,883                                     | 96,668                                    |
| Other exploration expenses                 | 45,060                                    | 212,152                                   |
|  | 281,594                                   | 538,918                                   |
| <i>Other expenses</i>                      |   |   |
| Employee benefits and consultants expenses | 380,807                                   | 129,111                                   |
| Depreciation expense                       | 83  | 5,905                                     |
| Administrative expenses                    | 437,362                                   | 149,389                                   |
| Project development expenses               | 1,450,795                                 | 10,337                                    |
| Unrealised exchange loss                   | 372,049                                   | —   |
| Interest expense                           | —   | 88,893                                    |
| Value of share based payments              | —   | 51,640                                    |
| Loss on sale of plant and equipment        | —   | 17,809                                    |
|  | 2,641,096                                 | 453,084                                   |

**NOTE 3. CASH AND CASH EQUIVALENTS**

For the purposes of the Cash Flow Statement and the Statement of Financial Position, cash and cash equivalents comprise cash at bank.

| 31 December<br>2017<br>\$ | 30 June<br>2017<br>\$ |
|---------------------------|-----------------------|
|---------------------------|-----------------------|

**NOTE 4. INVESTMENTS**
**HELD-TO MATURITY INVESTMENTS**

|  |           |           |
|--|-----------|-----------|
| Shares in other unlisted unrelated corporations, at cost | 2,639,591 | 1,323,802 |
|  | 2,639,591 | 1,323,802 |

Investments comprise a 5% interest in Meridian Holdings Co., a company registered in the Cayman Islands.

**NOTE 5. INTELLECTUAL PROPERTY**

On 7 December 2017, the Company acquired 100% of Sea NG Corporation (**SeaNG**), a Calgary based compressed natural gas (**CNG**) marine transport technology company, and associated CNG intellectual property rights. The Effective Date for the acquisition of SeaNG was 6 December 2017. The fair value of assets and liabilities held by this entity at acquisition were:

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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|   | <b>31 December<br/>2017<br/>\$</b> |
|---|------------------------------------|
| <b>FAIR VALUE OF ASSETS AND LIABILITIES</b> |                                    |
| Cash and cash equivalents                   | 37,091                             |
| Receivables                                 | 10,125                             |
| Intellectual Property                       | 6,214,830                          |
| Payables                                    | (415,987)                          |
|   | <hr/>                              |
| <b>FAIR VALUE OF NET ASSETS ACQUIRED</b>    | <b>5,846,059</b>                   |
|   | <hr/>                              |
| Cash consideration                          | 1,749,050                          |
| Equity consideration                        | 4,097,009                          |
| <b>TOTAL CONSIDERATION</b>                  | <b>5,846,059</b>                   |
|   | <hr/> <hr/>                        |

In addition, the Company issued 15,850,000 performance shares, with conversion of the performance shares to ordinary shares based on certain future milestone events, as part of the acquisition of the intellectual property (refer note 7). These Performance Shares have not been valued or recognised for accounting purposes and will not be recognised for accounting purposes until there is greater certainty of the non-market vesting conditions.

**NOTE 6. CAPITALISED OIL AND GAS EXPENDITURE**

The ultimate recoupment of assets carried forward in relation to the capitalised oil and gas expenditure is dependent on its successful development and commercial exploitation or alternative the sale of the respective tenements.

| <b>31 December<br/>2017<br/>\$</b> | <b>30 June<br/>2017<br/>\$</b> |
|------------------------------------|--------------------------------|
|------------------------------------|--------------------------------|

**NOTE 7. ISSUED CAPITAL**
**ORDINARY SHARES**

|  |            |            |
|--|------------|------------|
| 292,910,220 (30 June 2017: 245,279,757) fully paid ordinary shares | 53,961,636 | 46,104,428 |
|--|------------|------------|

**PERFORMANCE SHARES**

|   |   |   |
|---|---|---|
| 15,850,000 (30 June 2017: Nil) performance shares | — | — |
|---|---|---|

|             |            |       |
|-------------|------------|-------|
| <hr/>       | <hr/>      | <hr/> |
| 53,961,636  | 46,104,428 |       |
| <hr/> <hr/> |            |       |

|  | <b>Date</b> | <b>Number of<br/>Shares</b> | <b>31 December<br/>2017<br/>\$</b> |
|--|-------------|-----------------------------|------------------------------------|
| <b>MOVEMENTS IN ORDINARY SHARES</b>  |             |                             |                                    |
| At the beginning of the financial period   |             |                             | 46,104,428                         |
| Shares issued for \$0.17 each (approved by shareholders on 30-Nov-17)  | 07-Dec-17   | 23,529,412                  | 4,000,000                          |
| Shares issued as part consideration for the acquisition of Sea NG Corporation (shareholders approved the issue of 24,100,000 of these shares on 30-Nov-17) | 07-Dec-17   | 24,100,051                  | 4,097,008                          |
| Shares issued for \$0.20 each  | 07-Dec-17   | 1,000                       | 200                                |
| Other share issue expenses   |             |                             | (240,000)                          |
|  |             |                             | <hr/>                              |
| <b>AT THE END OF THE FINANCIAL PERIOD</b>  |             |                             | <b>53,961,636</b>                  |
|  |             |                             | <hr/> <hr/>                        |

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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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 period. 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 period. None of the Performance Shares had their vesting conditions met during the period. These Performance Shares have not been valued or recognised for accounting purposes and will not be recognised for accounting purposes until there is greater certainty of the non-market vesting conditions.

|  | <b>31 December<br/>2017</b> | <b>30 June<br/>2017</b> |
|--|-----------------------------|-------------------------|
|  | <b>\$</b>                   | <b>\$</b>               |
| <b>NOTE 8. RESERVES</b>                          |                             |                         |
| Option premium reserve                           | 1,356,492                   | 1,356,492               |
| Currency translation reserve                     | (2,037,510)                 | (2,395,450)             |
|  | <u>(681,018)</u>            | <u>(1,038,958)</u>      |
| <b>MOVEMENTS IN CURRENCY TRANSLATION RESERVE</b> |                             |                         |
| At the beginning of the financial year           | (2,395,450)                 |                         |
| Consolidation adjustment for the year            | 357,940                     |                         |
| <b>AT THE END OF THE FINANCIAL YEAR</b>          | <u>(2,037,510)</u>          |                         |

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

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On 7 December 2017, Global Energy Ventures Ltd (“GEV”) issued 2,000,000 Class D Performance Rights, 4,000,000 Class E Performance Rights and 6,000,000 Class F Performance Rights (together “DEF Performance Rights”) to directors. All DEF Performance Rights remained on issue at the end of the period. All DEF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right converts into one ordinary share in the Company. Class D Performance Rights will vest when either 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 both the 30-day VWAP of GEV Shares exceeds A\$0.35 at any time subsequent to the acquisition by GEV of Sea NG Corporation (SeaNG) and GEV obtains ABS Full Approval for construction of a CNG Ship reliant on the Optimum Technology (Optimum CNG Ship) of any size. Class E Performance Rights will vest when either the Notice to Proceed Date occurs or both the 30-day VWAP of GEV Shares exceeds A\$0.45 at any time subsequent to the acquisition by GEV of SeaNG and 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). Class F Performance Rights will vest when either the Notice to Proceed Date occurs or both the 30-day VWAP of GEV Shares exceeds A\$0.55 at any time subsequent to the acquisition by GEV of SeaNG and the Contract Date occurs. Any DEF Performance Rights not vested before their expiry date, will lapse. The issue of the DEF Performance Rights was approved at the general meeting of shareholders held on 30 November 2017. No DEF Performance Rights were converted or cancelled during the period. None of the DEF Performance Rights had their vesting conditions met during the period. These DEF Performance Rights have not been valued or recognised for accounting purposes and will not be recognised for accounting purposes until there is greater certainty of the non-market vesting conditions.

### NOTE 9. SEGMENT INFORMATION

#### IDENTIFICATION OF REPORTABLE SEGMENTS

The Group has identified its operating segments based on internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group's principal activities are exploration, development and production for oil and gas (including coal seam methane gas) and investment in the resources industry. These activities are managed on a project by project basis. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

#### BASIS OF ACCOUNTING FOR PURPOSES OF REPORTING BY OPERATING SEGMENTS

Unless stated otherwise, all amounts reported to the board of directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

Segment assets are clearly identifiable on the basis of their nature and physical location.

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payable and certain direct borrowings.

Items of revenue, expense, assets and liabilities are not allocated to operating segments if they are not considered part of the core operations of any segment.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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|   | HALF-YEAR TO 31 DECEMBER 2017                 |   |                    | HALF-YEAR TO 31 DECEMBER 2016                 |   |                  |
|---|---|---|--------------------|---|---|------------------|
|   | Oil and Gas<br>Exploration<br>Australia<br>\$ | Oil<br>Production<br>North<br>America<br>\$ | Total<br>\$        | Oil and Gas<br>Exploration<br>Australia<br>\$ | Oil<br>Production<br>North<br>America<br>\$ | Total<br>\$      |
| <b>SEGMENT PERFORMANCE</b>  |   |   |                    |   |   |                  |
| External revenue  | —   | 34,556                                      | 34,556             | —   | 76,382                                      | 76,382           |
| <b>TOTAL SEGMENT REVENUE</b>  | <b>—</b>                                      | <b>34,556</b>                               | <b>34,556</b>      | <b>—</b>                                      | <b>76,382</b>                               | <b>76,382</b>    |
| Segment net profit/(loss)<br>before tax   | <u>(5,883)</u>                                | <u>(269,593)</u>                            | <u>(275,476)</u>   | <u>(107,020)</u>                              | <u>(397,203)</u>                            | <u>(504,223)</u> |
| <b>RECONCILIATION OF<br/>SEGMENT RESULT TO NET<br/>PROFIT/(LOSS) BEFORE TAX</b>   |   |   |                    |   |   |                  |
| <i>Amounts not included in<br/>segment results but<br/>reviewed by the Board:</i> |   |   |                    |   |   |                  |
| Interest received   |   |   | 7,778              |   |   | 1,192            |
| Interest expense  |   |   | —                  |   |   | (88,893)         |
| Project Development   |   |   | (1,450,795)        |   |   | —                |
| Currency exchange<br>(loss)/gain  |   |   | (372,049)          |   |   | 677,384          |
| Other income  |   |   | 7,770              |   |   | —                |
| Other expenses  |   |   | (818,242)          |   |   | (330,927)        |
| <b>NET PROFIT/(LOSS) BEFORE TAX<br/>FROM CONTINUING<br/>OPERATIONS</b>            |   |   | <u>(2,901,014)</u> |   |   | <u>(245,467)</u> |

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**


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|   | 31 DECEMBER 2017                              |   |                   | 30 JUNE 2017                                  |   |                  |
|---|---|---|-------------------|---|---|------------------|
|   | Oil and Gas<br>Exploration<br>Australia<br>\$ | Oil<br>Production<br>North<br>America<br>\$ | Total<br>\$       | Oil and Gas<br>Exploration<br>Australia<br>\$ | Oil<br>Production<br>North<br>America<br>\$ | Total<br>\$      |
| <b>SEGMENT ASSETS</b>   |   |   |                   |   |   |                  |
| Segment assets  | —   | 437,179                                     | 437,179           | —   | 650,026                                     | 650,026          |
| <b>RECONCILIATION OF<br/>SEGMENT ASSETS TO TOTAL<br/>ASSETS</b> |   |   |                   |   |   |                  |
| <i>Unallocated assets:</i>                                      |   |   |                   |   |   |                  |
| Cash and cash equivalents                                       |   |   | 2,289,436         |   |   | 3,864,678        |
| Receivables   |   |   | 142,209           |   |   | 78,918           |
| Plant and equipment   |   |   | 1,532             |   |   | 615              |
| Investments   |   |   | 2,639,591         |   |   | 1,323,802        |
| Intellectual property   |   |   | 6,214,830         |   |   | —                |
| <b>TOTAL ASSETS FROM<br/>CONTINUING OPERATIONS</b>              |   |   | <u>11,724,777</u> |   |   | <u>5,918,039</u> |

**NOTE 10. CONTINGENT LIABILITIES**

TTE Operating LLC, a controlled entity of the Company, has received a letter of demand for unpaid royalties ("Letter of Demand"). During the period, the Group sold all of its interests in its US based oil and gas assets. The buyer of those assets has agreed to indemnify the Group against any claim arising from the Letter of Demand.

There have been no other significant changes in contingent liabilities since the last annual reporting date.

**NOTE 11. EVENTS SUBSEQUENT TO BALANCE DATE**

On 6 February 2018, the Company raised approximately \$6.75 million (before costs) by the issue of 16,876,000 ordinary shares at \$0.40 each. In addition, the Company issued 14,000,000 ordinary shares pursuant to the conversion of Class A, Class B and Class C performance rights and issued a further 600,000 free ordinary shares pursuant to the Company's Employee Share Plan.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods.

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Global Energy Ventures Ltd

### Report on the Half-Year Financial Report

We have reviewed the accompanying half year financial report of Global Energy Ventures Ltd, which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' Responsibility for the Half-Year Financial Report

The directors of Global Energy Ventures Ltd are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Global Energy Ventures Ltd's financial position as at 31 December 2017 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Global Energy Ventures Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Global Energy Ventures Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Global Energy Ventures Ltd's financial position as at 31 December 2017 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Greenwich & Co Audit Pty Ltd

**Greenwich & Co Audit Pty Ltd**

Nicholas Hollens

**Nicholas Hollens**

14 February 2018

Perth  
Western Australia



### Auditors Independence Declaration

As lead auditor for the review of Global Energy Ventures Ltd for the half year ended 31 December 2017, I declare under Section 307C of the Corporations Act 2001 that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

*Greenwich & Co Audit Pty Ltd*

**Greenwich & Co Audit Pty Ltd**

*Nicholas Hollens*

**Nicholas Hollens**

Perth, 14 February 2018