

GEV SECURES SITE FOR CNG EXPORT TERMINAL AT PORT OF CHABAHAR FOR GAS SUPPLY TO INDIA

KEY HIGHLIGHTS:

- GEV has executed a Memorandum of Understanding (MOU) with the General Directorate of Sistan and Balochistan (PMO, the Port Authority at Chabahar) for a six month period, to finalise a 20-year Port Access / Lease Agreement for the proposed CNG Export Terminal site at the Port of Chabahar, Iran.
- GEV will now proceed to undertake port studies associated with the site to allow GEV to install compression and berthing facilities at the Port of Chabahar, providing direct access to the Oman Sea.
- The Port of Chabahar is 550 nautical miles from the Gulf of Kutch on the west coast of India where GEV plans to secure a site for its CNG Import Terminal to unload CNG and connect directly into the Indian National pipeline grid. An additional site is also being considered in the Gulf of Khambhat, with access to the pipeline grid.
- GEV's proprietary CNG Optimum 200 ships will be used to deliver ~240 MMscf (less fuel use) of gas per day (~1.5 mtpa of LNG equivalent) to the west coast of India.
- GEV is continuing advanced negotiations on a gas offtake HOA with a gas buyer in India.
- GEV is undertaking discussion with several other potential gas buyers for gas supply to the West Coast.
- Investor webinar to be held next Monday 30 April at 3.30pm AEST, hosted by Chairman and CEO, Maurice Brand, with some of the Company's Board of Directors.

Global Energy Ventures Ltd (ASX: GEV), a developer of global integrated Compressed Natural Gas ("CNG") projects, is pleased to advise it has signed a Memorandum of Understanding (MOU) with the General Directorate of Sistan and Balochistan ("PMO", the Port Authority at Chabahar) for a CNG Export Terminal site (refer to Figure 1) at the Port of Chabahar (www.chabaharport.pmo.ir/en/home).

The MOU provides GEV six months to undertake all necessary studies in order to reach a legally binding agreement to secure the site for 20 years. Upon reaching a binding agreement, GEV would have matched the term of the Gas Supply HOA signed with the National Iranian Gas Corporation as announced on the 8 March 2018.

As previously advised, GEV plans to install compression and berthing facilities at the Port of Chabahar, allowing CNG to be loaded sequentially on to a fleet of six CNG Optimum 200 ships (refer to Figure 3) collectively delivering ~240 MMscf (less fuel use) of gas per day (equivalent to ~1.5 mtpa of LNG) to the West Coast of India.

Under the terms of the MOU:

- GEV and PMO will work together to enter into a legally binding 20-year termed Port lease and access ("Port Agreements") for the use by GEV of the "CNG Berth Location" (refer to Figure 2) for GEV's proposed Chabahar CNG Export Terminal;
- PMO agrees to provide GEV six months to prepare and present its business plan for PMO's review and approval (scope of work agreed) with respect to technical, commercial and safety issues;
- PMO agrees to work together with GEV on its business plan, assisting GEV to understand the general operating parameters of the Port of Chabahar, and providing GEV with any other information reasonably required to evaluate the suitability of the CNG Berth Location for GEV's proposed Chabahar CNG Export.

GEV Chairman & CEO, Maurice Brand said: “With the gas supply HOA signed with NIGC and now a signed MOU with PMO (Port Authority at Chabahar), GEV now has clear line of sight to source gas and by installing the required CNG loading equipment and facilities, thereby the ability to marine transport CNG to the Indian market.

“GEV is continuing to progress gas offtake agreements with Indian gas customers and to secure a site on the west coast of India for its CNG Import Terminal (to unload the CNG and connect into the Indian national gas pipeline grid/system). GEV expects to execute such agreements during the current quarter.”

“GEV fully expects the project to expand from initial 240 MMscf (less fuel use) of gas per day to over 650 MMscf of gas per day in the future, allowing the Company to supply an equivalent of ~5.0 mtpa of LNG to India by way of marine CNG.”

NIGC are currently constructing a gas pipeline connecting the existing IGAT-7 pipeline to the Port of Chabahar. 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. Attachment A provides current trading information between India and Australia with Iran.

Investor webinar

GEV will hold a webinar next Monday 30 April at 3.30pm AEST, hosted by Chairman and CEO, Maurice Brand, with some of the Company’s Board of Directors. During the webinar, GEV’s key executive management will provide a brief overview of the investment proposition as well as detailing some of the latest developments and for the future.

The Company welcomes investors to ask questions and invites them to be sent in advance to simon@nwrcommunications.com.au.

Registration in advance of the webinar is required, and can be completed at:

<https://attendee.gotowebinar.com/register/4131505491606453505>

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



Figure 2: CNG Berth Location



Figure 3: CNG Optimum 200 Ship



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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 through the following actions:

- Continue the approvals process and ship construction for the 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.

ATTACHMENT A

India and Iran Trade Relationship

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\$500 million (~US\$ 85 million spent already) 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.