

AGREED TERMS FOR EQUITY INVESTMENT AND PORT CAPACITY AT UK BASED PORT MERIDIAN TERMINAL

Highlights:

- **Equity investment into Meridian Holdings Co. to secure UK port capacity**
- **Gas volume rights of 300 MMscf/d of port capacity**
- **Gas sale rights of 300 MMscf/d to Uniper Global Commodities SE**
- **Gas resources identified in the Atlantic Basin that are technically and commercially suitable for transport as Compressed Natural Gas (CNG)**
- **UK gas market increasingly reliant on imported gas from European pipelines and delivered LNG**
- **Equity investment and Meridian agreement to fast-track maiden CNG opportunity for GEV**

Global Energy Ventures Ltd (ASX: GEV or the Company), (www.gev.com) is pleased to advise that it has signed an equity investment and capacity agreement (Agreement) with Meridian Holdings Co. (Meridian) covering the following key terms:

- GEV acquiring a 5.0% equity interest in Meridian for the consideration of US\$2 million, subject to the execution of an Investment Agreement and a Shareholder Agreement (together the Definitive Agreements). US\$1 million is payable upon execution of the Definitive Agreements and US\$1 million payable on 29 December 2017.
- Meridian granting GEV:
 - (i) Gas volume rights of 300 MMscf/d of port capacity at Meridian's proposed Port Meridian terminal in the United Kingdom, subject to regulatory approvals and a tolling terminal agreement; and
 - (ii) Gas sale rights of 300 MMscf/d to Uniper under the Gas Sales Agreement dated April 2015 between Meridian LNG Holdings Corp. and Uniper Global Commodities SE (a subsidiary of Uniper SE publicly traded on the Frankfurt Stock Exchange), subject to a gas assignment agreement.

GEV and Meridian have also identified several gas resources in the Atlantic Basin that could be technically and commercially suitable for the transport of gas as Compressed Natural Gas (CNG), where either a gas pipeline or LNG solution are not technically or commercially viable under current market conditions. GEV considers the execution of

this Agreement instrumental in allowing GEV to fast-track such CNG opportunities by teaming with Meridian.

Meridian LNG Holdings Corp. (www.meridianlng.com) and Port Meridian (www.portmeridian.com) have previously announced a Liquefaction Tolling Agreement with Magnolia LNG giving it access to 1.7 mtpa of liquefaction capacity for 20 years at Magnolia's Lake Charles facility as well as the Gas Sales Agreement with Uniper Global Commodities giving Meridian the right to sell Uniper 750 MMscf/day of gas for 20 years at National Balancing Point linked prices in the UK. In addition, Meridian has a Joint Development Agreement (JDA) with Höegh LNG, giving Meridian the option to invest in certain Höegh operated FSRUs and LNG carriers.

GEV's gas volume and sales rights are subject to UK regulatory clearances and the execution of a tolling terminal agreement (for port capacity) and gas assignment agreement (for gas sales to Uniper). Meridian's front-end-engineering-design study is scheduled to commence later this year, and once completed, will allow the above agreements to be executed, before the 3 July 2018 deadline under the Agreement.

GEV Executive Chairman, Maurice Brand, said: *"The execution of the Definitive Agreements will secure GEV gas rights of 300 MMscf/d (~2.3 mtpa of LNG equivalent) over 20 years to one of the world's most liquid and transparent gas markets being that of the UK and give GEV access to Uniper, a credit rated customer. As the UK becomes increasingly reliant on imported gas we feel that having established a clear sight to access to this important market allows us to commercialize one or more of the various CNG opportunities that we are actively pursuing.*

GEV is of the view that this will be one of the two CNG projects that will be fully defined in 2017 and capable of achieving Final Investment Decision (FID) in 2018/19, with gas sales as early as 2021/22."

Meridian's Chief Executive Officer, Roger Whelan, said: *"Meridian has been assembling strategic assets in a global gas value chain since 2012. Along with our Liquefaction Tolling Agreement with Magnolia LNG, our Joint Development Agreement with Höegh LNG to invest in FSRUs and LNG carriers, and our Gas Sales Agreement with Uniper, we are one step closer to advancing our Port Meridian project to FID.*

We are excited to bring a financial and strategic partner such as GEV to Meridian and the Port Meridian project, and look forward to pursuing LNG and CNG opportunities to help meet the United Kingdom's energy needs for the next 20 to 30 years."

The United Kingdom Gas Market

The United Kingdom is a gas market that is increasingly becoming more dependent on imported supplies. Domestic gas production was over 90 bcm/year in 2000 and is expected to fall below 40 bcm/year by 2020. As stated on UK gas retailer British Gas' customer website the UK met 45% of its gas needs from domestic production with the remaining 38% from European pipelines and the remaining 17% from LNG imports in

2015. As gas production declines, it is expected that the UK will become increasingly reliant on gas imports.

The UK is also facing a gas storage issue as its largest gas storage facility – the Rough storage facility which provides about 70% of the country's gas storage capacity – is facing operational issues, leaving the country susceptible to gas shortages. As a result, flexible gas solutions such as LNG and CNG are expected to become increasingly essential to securing the energy needs of the UK.

The wholesale gas market in Britain has one price for gas irrespective of where the gas comes from. This is called the National Balancing Point price of gas. The UK market is considered by suppliers and traders as either the first or second most liquid gas trading point in Europe.

About Global Energy Ventures Ltd

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

About Port Meridian

Located off the North West of England, next to the depleting Morecambe Bay gas fields, Port Meridian offers access to highly liquid and deep UK markets with interconnections to NW Europe. Port Meridian is designed to deliver interruptible or non-interruptible volumes directly into the UK market at a daily volume of up to 750 MMscf/d.

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