

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 JUNE 2017

The June quarter has seen Global Energy Ventures Ltd (ASX: GEV) take strides to ensure it is able to capitalise on opportunities in the compressed natural gas (CNG) sector in the UK domestic gas market, by executing agreements with Meridian LNG, a portfolio company of a fund advised by Toronto-based institutional investment manager West Face Capital Inc. Meridian LNG is focused on the development of Port Meridian together with Höegh LNG under a joint development agreement.

During the quarter:

- GEV signed an equity investment and capacity agreement with Meridian Holdings Co to secure UK port capacity, with GEV acquiring a 5% interest in Meridian, and Meridian granting GEV gas volume and sales rights to fast-track maiden CNG opportunity for GEV
- Subsequently, GEV finalised Definitive Agreements with Meridian to secure UK port capacity and gas sale rights, as well as signing Investment and Shareholder agreements with Meridian
- Completed an oversubscribed \$5 million equity placement (before costs) via the issue of 35.7 million shares at an issue price of \$0.14 per share to Institutional and Sophisticated clients of Foster Stockbroking. Funds will help accelerate investment opportunities.

As announced on 18 May 2017, terms of GEV's investment and capacity agreement with Meridian include:

- 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 was payable upon execution of the Definitive Agreements (paid during the quarter) and US\$1 million payable on 29 December 2017.
- Meridian granting GEV:
 - (i) Gas volume rights of 300 million standard cubic feet per day (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 300MMscf/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.

Further to this agreement, on 21 June, GEV announced it had signed an Investment Agreement with Meridian Holdings Co. (Meridian) as well as a Shareholders Agreement, as well as finalising Definitive Agreements with Meridian to secure UK port capacity and gas sale rights.

Discussions also commenced between the two companies regarding several gas resources identified by GEV and Meridian 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.

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 deregulated UK market at a daily volume of up to 750MMscf/d. Meridian is expected to make an investment decision on Port Meridian in 2018.

GEV considers its partnership with Meridian instrumental in allowing the Company to fast-track such CNG opportunities.

The Company expects to finalise its agreement with a CNG technology partner early in the September 2017 quarter.

UK Gas Market

The United Kingdom gas market is increasingly dependent on imported supplies. Domestic gas production was more than 90bcm/year in 2000 and is expected to fall below 40bcm/year by 2020. In 2015, 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. As domestic 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 is unique in that it 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 alike as either the first or second most liquid gas trading point in Europe.

FIELD ACTIVITIES

During the Quarter, oil prices remain steady at the mid US\$50 per barrel range. Gross production on the Allen Dome field was 1,581 barrels with an average sales price of US\$48.50 per barrel. Production costs were stable at \$7 per barrel for the quarter.

GEV USA Inc, a fully owned subsidiary, owns a 25% working interest in Blue Ridge (Fort Bend County , Texas, USA), a Joint Venture with Viceroy Petroleum (Operator) 75%. There is no production from this field to the Joint Venture.

GEV has an 18.5% Working Interest in EP455 (Perth Basin, WA). AWE Limited is Operator and holds the other 81.5% Working Interest. There was no activity during the quarter.

There has been no changes to our Working Interest in any of the fields during the Quarter.

The Company's US operations in Texas will continue in their current form.

Summary of GEV Interests:

WORKING INTEREST LEASEHOLDING SUMMARY AS OF 30 JUNE 2017:

Asset name	Working Interest at end of Quarter	Percentage Change during quarter	Area Net Acres
<i>Texas (USA)</i>			
Allen Dome	30%		1,085
Blue Ridge	25%		361
<i>Western Australia</i>			
EP455	18.5%		20,700

Allen Dome: GEV has a 3% Overriding Royalty Interest on current production from Allen Dome.

CORPORATE

Capital Raising

GEV completed an equity placement of 35.7 million new fully paid ordinary shares at \$0.14 per share (Placement). The Placement was strongly supported by a group of new and existing institutional investors.

Due to strong demand from new investors, the Board elected to increase the size of the Placement by an additional \$1 million putting the Company in a strong financial position to execute on its strategy in 2017.

GEV Executive Chairman Maurice Brand and Executive Director Garry Triglavcanin subscribed for a total of 3 million shares. Proceeds from the Placement will be used to accelerate investment opportunities in upstream energy assets and the Company's portfolio of CNG sales opportunities, offer costs and for ongoing working capital.

Foster Stockbroking Pty Ltd acted as Sole Lead Manager to the Placement.

Except for shares issued to directors, the Placement was completed in a single tranche and be conducted within the company's placement capacity under ASX Listing Rule 7.1 and 7.1A.

Results of General Meeting

At a General Meeting of GEV shareholders held on 21 June 2017, all four resolutions passed unanimously on a show of hands. The resolutions related to shares issued during the recent capital raising.

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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.