



ASX / MEDIA ANNOUNCEMENT

3 July 2019

LETTER OF INTENT SIGNED WITH SHIPYARD FOR CONSTRUCTION OF THE CNG OPTIMUM 200 SHIP

YANTAI CIMC RAFFLES OFFSHORE LIMITED SELECTED AS CONSTRUCTION PARTNER

KEY HIGHLIGHTS:

- **Letter of Intent (LOI) executed with Yantai CIMC Raffles Offshore Limited (CIMC Raffles) to build the CNG Optimum 200MMscf ship.**
- **CIMC Raffles is one of China's leading offshore builders dedicated to specialised projects with the full support of three shipyards, including their main yard Yantai, where the CNG ships are planned to be built. CIMC Raffles has completed in excess of USD 6 billion in EPC contracts since 2012.**
- **LOI has been entered into on the basis of CIMC Raffles having completed a detailed Technical Specification / Design for GEV's 200MMscf Compressed Natural Gas (CNG) Optimum ships.**
- **GEV and CIMC Raffles will now work towards a binding shipbuilding Engineering, Procurement & Construction (EPC) contract, employing GEV's CNG Optimum design, for four (4) firm CNG Optimum ships, with the option for GEV to order up to an addition four (4) ships.**
- **Proposed contract price range of USD 135–140 million per ship.**
- **GEV advised by global ship broker Clarksons Platou and SeaQuest Marine Project Management.**
- **Selection of our first Shipyard Construction Partner is a significant de-risking milestone for the Company and mitigates against the perceived risk of a binary outcome for developing a new class of marine CNG ship.**
- **CNG OPTIMUM 200 SHIP IS NOW 'CONSTRUCTION READY'.**
- **GEV's team now fully focused on confirming a regional gas supply agreement to correspond with customer gas offtake agreement.**

Global Energy Ventures Ltd (ASX: **GEV**, the **Company**), the leading developer of global integrated marine compressed natural gas (CNG) projects, is pleased to announce the execution of our a Letter of Intent (LOI) with Yantai CIMC Raffles Offshore, Ltd (**'CIMC Raffles'**) to build the CNG Optimum 200 ships. The LOI is based on a firm order for four (4) 200MMscf Compressed Natural Gas (CNG) ships with the option for GEV to order up to an additional four (4) ships. The parties have executed the LOI, with the intention of entering a Shipbuilding Engineering, Procurement & Construction (EPC) contract, employing GEV's CNG Optimum design.

As reported on 3 April 2019, three shipyards completed comprehensive technical specifications employing the CNG Optimum design approved by the American Bureau of Shipping. This followed a targeted selection process led by GEV Director Jens Martin Jensen, and run over the past 12 months supported by the company's ship broker Clarksons Platou (Clarkson's) and SeaQuest Marine Project Management Ltd (SeaQuest) providing ship engineering experience to assist in finalising the technical specification.

The selection of CIMC Raffles has been driven by the commercial terms under the LOI, track record of delivering in excess of USD 6 Billion in EPC contracts since 2012, experience with CNG systems, and moving forward, their scale of operations with three yards will support our growth aspirations of multiple CNG projects requiring shipbuilding contracts.



Non-Executive Director Jens Martin Jensen said: *"In my 30 years of new ship builds, CIMC Raffles have proven to be a highly credible and very capable yard for new builds, and they are without doubt an investment grade shipyard for GEV's first marine CNG project. They are the logical choice for GEV given their scale of operations to support a multiple ship order, their history of building the only CNG ship to date, and a track record in successful EPC delivery.*

"Together with our advisors Clarksons and SeaQuest, we continue to focus on our preferred shipyards to refine their technical specification and capital cost improvements, and work towards a final draft contract. Executing our first LOI with a respected shipyard to deliver our first CNG Optimum Contract is indeed a key milestone for GEV representing a major de-risking event."

Under the proposed Shipbuilding Contract the CNG Optimum ship will be:

- designed, procured, built, tested, and delivered by the shipyard.
- capable of operating for the intended and defined waters for the purpose of delivering CNG from gas supply to gas buyer in generally accepted ocean shipping conditions.
- substantially based on the completed technical specification with accompanying documents/drawings provided to GEV.
- delivered on a fixed contract price based on the final technical specification and subject to, amongst other things, all four firm ships being committed for construction under the same Shipbuilding Contract, and adjustment for any revision to the Technical Specifications agreed to by the Parties.
- delivered on a thirty (30) month construction schedule for the first ship, then every four (4) months for the following three firm ships.

CIMC Raffles has provided a contract price range of USD 135-140 million subject to the final terms of the Shipbuilding Contract being finalised. The capital cost provided remains within the Company's capital cost range to ensure our CNG projects in development are commercially viable and provide the required rate of return to fund the future debt and equity requirements. The final contract price will be mutually agreed by both Parties and recorded in the Shipbuilding Contract before its execution. Payment terms are aligned with standard milestones for new ship builds.

The major terms of a Shipbuilding Contract, including a final contract price, payment terms, scope of supply, and delivery date, are subject to further discussion and agreement by both parties and once mutually agreed shall be included in the final Shipbuilding Contract.

The term of the LOI is for ninety (90) days from the date of signing. GEV, its advisors, and CIMC Raffles will continue to work towards an executable shipbuilding contract during this time and continue to refine the technical specifications.

Executive Chairman and CEO Maurice Brand added: *"The culmination of 12 months work by our shipping team will now accelerate GEV's regional gas supply agreements that are being progressed across multiple regions. Our target projects are either seeking to commercialise stranded gas assets, commercialise associated gas production, or provide a transport solution to high growth markets with bankable long-term off-take customers in place. Our ship capital cost for the 200MMscf is transformational for CNG to become a viable alternative to FLNG or sub-sea pipelines."*



CNG Optimum 200

Design One | Build Many | Operate Globally

GLOBAL ENERGY VENTURES LTD
Global Reach Energy Efficiency Venture Focus

ABOUT CIMC RAFFLES OFFSHORE, LTD

CIMC RAFFLES

- CIMC Raffles is a 100% subsidiary company of CIMC Group, which is an international corporation providing high-quality offshore equipment and contract services to clients all over the world. Operations include: 4 Offshore and Marine Research & Development Centres, 3 offshore construction bases and 3 operation companies with nearly 10,000 staffs.
- The core business includes EPC, repairing & conversion and technical service of drilling rigs, production platforms, offshore supply vessels, ocean farming, offshore wind mill, etc. CIMC Raffles is also involved in platforms operation and leasing services. (www.cimc-raffles.com)
- One of China's largest yard group with 3 suitable shipyards to build the CNG Optimum ships, especially the main yard i.e. Yantai yard where the CNG ships are planned to be built.
- CIMC Raffles will combine with CIMC ORIC and CIMC ENRIC to join the CNG O-200 carriers' technical specification and construction team:
- CIMC ORIC, a ship designer with an experienced design team who ever designed the first built CNG carrier in the world;
- CIMC ENRIC, a Hong Kong listed public company with an expert gas team who participated in the design and supplied the cargo system for the first built CNG carrier in the world.

CIMC Raffle's Yantai Shipbuilding Construction Base. China.

Construction Capability – Yantai Construction Base

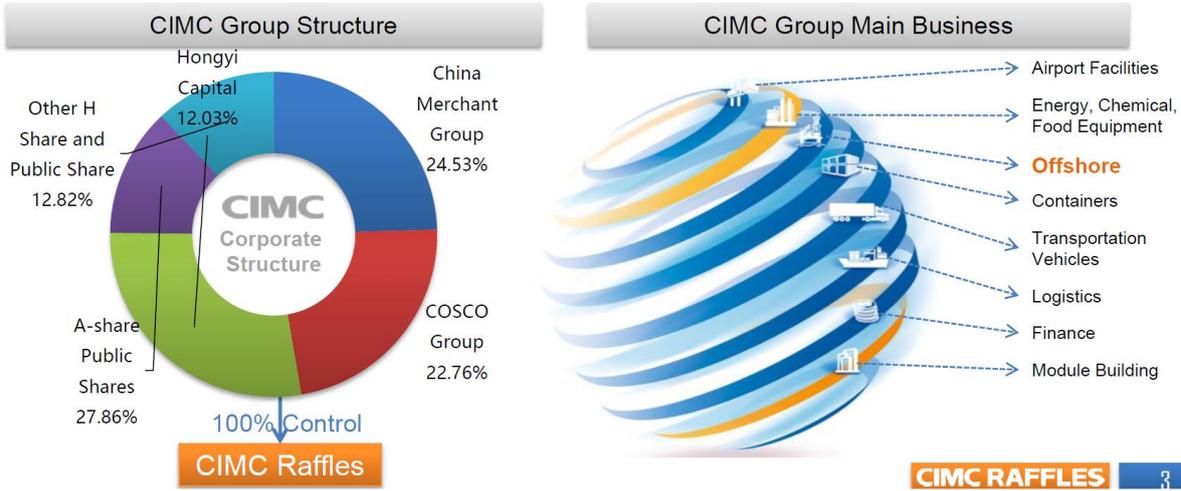


Yantai Construction Base mainly focuses on high-end offshore equipment EPC and commissioning:

- Area: 500,000m²
- Quay Length: >3000m
- Deep Water Berth: -18m
- 20000T Taisun Gantry Crane

CIMC Group Overview

- China International Marine Containers (Group) Ltd. (CIMC) is a world leading supplier of logistics and energy equipment, headquartered in Shenzhen, China.
- CIMC Raffles is 100% controlled by CIMC Group.



Source: CIMC Raffles

CIMC Raffles – Global Presence



Source: CIMC Raffles

CIMC Raffles – Global Project Portfolio



Source: CIMC Raffles

CIMC Raffles – Summary of Delivered Projects



Category	Detailed Product	No. of Delivery
Drilling Rig	Semi-Submersible Rig	9
	Jack-up Rig	10
Production Unit	FPSO/FSO	5
	Jack-up Production Platform	2
Offshore Specialized Vessel	Semi-Sub Accommodation/Crane Vessel	4
	Pipe Lay Vessel	2
	Accommodation Barge	2
	Fallpipe Vessel	1
	Semi-Submersible Heavy Lift Vessel	2
	AHTS	12
	PSV	4

Source: CIMC Raffles



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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 design and commercial advantages along with being safe and environmentally friendly. This will be achieved by:

- Continue the roll out of **GEV CNG Optimum ship** and maintaining global leadership in marine CNG design;
- 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.

FORWARD LOOKING STATEMENTS

This announcement may contain forward looking statements that are subject to risk factors associated with the gas and energy industry. The expectations reflected in these statements are currently considered reasonably based, but they may be affected by a range of variables that could cause actual results or trends to differ materially, including but not limited to : price and currency fluctuations, the ability to obtain reliable gas supply, gas reserve estimates, the ability to locate markets for CNG, fluctuations in gas and CNG prices, project site latent conditions, approvals and cost estimates, development progress, operating results, legislative, fiscal and regulatory developments, economic and financial markets conditions, including availability of financing . All references to dollars, cents or \$ in this document is a reference to AUD Dollars, unless otherwise stated. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.