



GLOBAL ENERGY VENTURES LTD

Global Reach | Energy Efficiency | Venture Focus

Annual Report 2019



DIRECTORS: Fletcher Maurice Brand (Executive Chairman)
Garry Triglavcanin (Executive Director)
Martin Carolan (Executive Director)
Thomas Soderberg
Paul Garner

COMPANY SECRETARY: Jack Hugh Toby FCA MACS

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This annual report covers both Global Energy Ventures Ltd as an individual entity and the consolidated entity comprising Global Energy Ventures Ltd and its subsidiaries. The Group's presentation currency is Australian Dollars (\$). The functional currency of Global Energy Ventures Ltd is Australian Dollars (\$), the functional currency of GEV Canada Corporation is Canadian Dollars (CAD\$) and the functional currency of TTE Royalties LLC, GEV USA Inc and all subsidiaries of GEV USA Inc is United States Dollars (US\$). The functional currency of all other subsidiaries of Global Energy Ventures Ltd is Australian Dollars (\$). A description of the Group's operations and of its principal activities is included in the review of operations and activities in the directors' report. The directors' report is not part of the financial report.

CHAIRMAN'S REPORT

Dear Fellow Shareholder,

Welcome to the 2019 Annual Report for Global Energy Ventures Ltd (ASX: GEV).

The year has been transformational for your company, with several key goals set out to be achieved to de-risk the Company's goal of becoming the leading marine CNG transport solution.

In January 2019, the receipt of American Bureau of Shipping (ABS) design approvals was received. The approvals are a result of the tremendous work by our GEV Canada team following the acquisition of SeaNG in 2017. These approvals provided GEV with complete design approved specifications and drawings, such that GEV can state that we are now "construction ready".

Based on the ABS approvals, GEV was then able to close out its selection of a shipyard who could construct the ship. After nearly a two-year process, and discussions with some 20 shipyards, GEV selected Yantai CIMC Raffles Offshore Limited (CIMC Raffles) as its preferred shipyard and entered into a Letter of Intent (LOI). The LOI states that the parties will work towards a legally binding 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 additional four (4) ships. The proposed contract price range is US\$135 – 140 million per ship. The LOI is valid until 31 December 2019. The Board wish to thank the leadership provided by our fellow Director Jens Martin Jensen who drove this work to a successful outcome for shareholders using his knowledge and relationships with several of the leading shipyards in Asia. The Company is now in a confident position to say that GEV is the leading developer of CNG projects having the only construction ready and commercially viable marine CNG ship in the market.

The above two achievements were a significant de-risking milestone for the Company. Without both, GEV would be unable to have moved forward on its business case and present CNG Optimum as an economic 'game changer' for marine CNG.

The final key goal for the year was to be well advanced for a CNG Project. In order to maximise achieving that goal, as stated in our Mission Statement that GEV will "pursue multiple CNG Projects to improve the probability of success", GEV added Brazil as a new region of focus after extensive in-country technical and market due diligence. In Brazil, GEV is pursuing specific opportunities where marine CNG could provide a highly commercial means to monetise associated gas that would otherwise be reinjected. In establishing a commitment for a region, a critical success factor is to establish a local partnership, and in that regard, GEV has appointed GAIA Importação e Exportação Ltd. as its Brazilian Country Associate. The role of GAIA is to provide GEV with local expertise and to advance corporate and regulatory discussions for CNG projects, with GEV retaining 100% control and ownership.

Looking forward, the next important step for your Company is to secure its first CNG Project and to be singularly focussed to achieve that goal. Whilst GEV is now heavily focussed on Brazil, it will continue to evaluate new regions with CNG potential. GEV can pursue multiple CNG Projects without a material increase in its development cost base, since around 80% of each project is the cost of the CNG shipping fleet and is now at Engineering, Procurement and Construction (EPC) level of completion.

CHAIRMAN'S REPORT

Regarding the other four regions and announced potential projects, GEV will not be undertaking further development on its Iran gas supply Heads of Agreement or in the Port of Chabahar, due to the sanctions and other factors that will not allow GEV to reach Financial Close. GEV is continuing to seek alternative gas supply in the middle east to supply Indian Oil Company to allow the current Heads of Agreement to progress to a bankable gas sale agreement.

A second project that has been slower than expected has been gas supply to the UK, accessing the capacity rights that GEV has under its agreement with Meridian Holdings. The primary reason is that gas prices in the UK and Europe generally continue to be at levels which make the import of LNG and accessing gas to move forward with a possible CNG supply, uneconomic. Based on recent GEV review, we have taken the view to write down our investment to zero, however the Company will continue to monitor the pricing position during the current financial year and continue to review potential supply options.

Regarding gas supply from PNG and Malaysia, these two countries remain a focus for the Company. The evaluation work completed in both regions provides the management team with confidence that our CNG Optimum solution is a commercially viable option. Whilst progress in each country has been slower than envisaged, we will continue to work on options for each to move forward and will keep shareholders fully informed on any material progress. As part of our focus on these two regions GEV also seeks to participate in the gas resources but only where a successful discovery has been made. GEV does not intend to take exploration risk.

From a corporate perspective, it has also been a busy year. Martin Carolan joined the Board as Executive Director, Corporate and Finance, having had a successful career in the equity capital markets. Martin has already made a valuable contribution with a small capital raise of \$3 million post year end, in what is a very uncertain equity market environment, with the company now fully funded for the next 18 months to two years. In his previous role with Foster Stockbroking, Martin has been the Company's corporate advisor securing the capital required by the company since 2016. Martin is also a material shareholder in the Company demonstrating his belief in our CNG strategy.

Post year end, GEV has appointed Thomas Soderberg as a Non-Executive Director and Head of Shipping. Thomas replaces Jens Martin Jensen, who has resigned due to a new full-time appointment as Head of Shipping for a US based integrated gas-to-power company and will be based in Miami USA from 1 September 2019. Jens has made a tremendous contribution to the Company during his time on the Board and we thank him for his service, commitment and contribution. Thomas has over 30 years' experience in the shipping industry with first in class organizations like AP Moller/Maersk, HSBC, Seatankers/John Fredriksen and Armada Group. Thomas resides in Hong Kong with more than 30 years' experience and network in Asia, as Director of HSBC Shipping Services, heading up Ship Sales and Purchases, newbuilds and alternative ship finance activities in the region, General Manager of Seatankers (John Fredriksen Group) and Chief Investment Officer of Armada Group. Thomas is the founder of Tribini Capital a shipowning and investment platform which has contracted, built and financed ship newbuilds in China.

By any objective test, GEV has had a transformational year and is on the cusp of achieving its maiden CNG Project in the current financial year. GEV is privileged to have the services of a highly competent and world class management team to deliver its maiden CNG project, which augers well for a successful outcome.

CHAIRMAN'S REPORT

I thank those that started the GEV story in November 2016 and remain with us today, as well as many new shareholders who have subsequently made an investment in our Company during the year.

I hope you will continue this journey with us.



Maurice Brand
Chairman & Chief Executive Officer

DIRECTORS' REPORT

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 year ended 30 June 2019. The Company is a listed public company limited by shares, incorporated and domiciled in Australia.

DIRECTORS

The names of the directors of the Company in office at any time during or since the financial year and up to the date of this financial report are as follows. Directors were in office for the entire period unless otherwise stated.

Fletcher Maurice Brand
Garry John Frank Triglavcanin
Martin Randell John Carolan (appointed 2 April 2019)
Thomas Soderberg (appointed 1 September 2019)
Paul Garner
Jens Martin Jensen (resigned 30 August 2019)

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were developing solutions by way of Compressed Natural Gas (CNG) for stranded gas fields and investment in oil and gas resources.

There were no significant changes in the nature of the principal activities during the financial year.

OPERATING RESULTS

The operating loss for the Consolidated Entity, after income tax amounted to \$6,552,534 (2018: \$5,964,422).

DIVIDENDS

No dividends have been paid or declared since the start of the financial year by the Company.

The directors have recommended that no dividend be paid by the Company in respect of the year ended 30 June 2019.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS AND REVIEW OF OPERATIONS

The following significant changes in the state of affairs of the Consolidated Entity occurred during the financial year:

On 4 July 2018, the Company issued 500,000 free ordinary shares pursuant to the Company's Employee Share Plan.

DIRECTORS' REPORT

On 16 August 2018, the Company announced the execution of a Heads of Agreement (HOA) with Twinza Oil Limited (Twinza) to jointly work together to undertake a Pre-Feasibility Study to evaluate a commercialisation plan for gas from the PNG Pasca A field via marine compressed natural gas (CNG). The Pasca A field (PPL 328) is located 270km North West of Port Moresby, in the Gulf of Papua. Twinza is the 100% owner and operator of the field. The Pasca A field facilities are designed for the production of 125 MMscf/d and first liquids production currently scheduled for 1Q 2021. GEV has proposed to use its proprietary CNG Optimum 200 MMscf ships to export natural gas to markets up to 2,500 km distance. GEV and Twinza will work together to define the commerciality of delivering marine CNG to key regional gas markets with suitable demand. The purpose of the Pre-Feasibility Study is to allow both parties to assess the technical, commercial, safety, and other potential development issues associated with the CNG project, and if both parties agree to continue developing the CNG project then both parties may enter into detailed discussions on gas offtake, and on an optional basis, the parties may agree and enter into discussions to acquire an interest in the other party's project.

On 17 August 2018, the Company announced that it had signed a Letter of Intent (LOI) with Tamarind Resources Pte Ltd to jointly identify, evaluate and pursue an interest/operatorship in gasfields in the Malaysian region for commercialisation via GEV's proprietary CNG Optimum Technology.

On 14 January 2019, the Company announced that the American Bureau of Shipping (ABS) has issued its formal letter granting approval for construction of the CNG 200 Optimum ship as designed, subject to continued compliance with applicable ABS Rules and Guidelines. This approval of the CNG-O-200 design follows the completion in December 2018 of the extensive work program including; prototype testing of the Optimum system, review and verification of the design, review of the safety studies and a Hazard and Operability Analysis (HAZOP). GEV will continue to work with ABS throughout the final engineering and construction phases.

On 5 February 2019, the Company announced a placement of 31.3 million new fully paid ordinary shares at an issue price of \$0.15 to raise \$4,700,000. This included the subscription for 1,400,000 shares by Directors or their nominees for \$210,000 subsequent to Shareholder approval (which was obtained on 29 April 2019). Accordingly, the Company issued 29,933,333 at an issue price of \$0.15 each on 13 February 2019.

As announced on 14 January 2019, the American Bureau of Shipping has issued its formal approval for construction of the CNG 200 Optimum ship. Consequently, all Class D Performance Rights on issue vested and were automatically exercised. The Company therefore issued 2,500,000 ordinary shares pursuant to the exercise of 2,500,000 Class D Performance Rights on 13 February 2019.

On 3 April 2019, the Company announced that three selected ship yards have submitted comprehensive technical specifications for an CNG Optimum 200MMscf ship which align with the design principals of the CNG Optimum ship as approved by American Bureau of Shipping.

On 7 May 2019, the Company issued 4,066,666 ordinary shares, 2,000,000 Class E Performance Rights ("E-Rights") and 3,000,000 Class F Performance Rights ("F-Rights"), comprising 1,400,000 ordinary shares issued for \$0.15 to directors or their nominees, 666,666 Ordinary shares issued pursuant to the exercise of options expiring on 30 May 2020 exercisable at \$0.10 each and 2,000,000 ordinary shares, 2,000,000 E-Rights and 3,000,000 F-Rights issued as remuneration to directors.

DIRECTORS' REPORT

SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE DATE

On 3 July 2019, the Company announced the execution of 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 contract, employing GEV's CNG Optimum design.

On 4 July 2019, the Company announced the appointment of GAIA Importação e Exportação Ltd ("GAIA") as our Brazilian Country Associate. Brazil represents an ideal target for a marine CNG project given it has significant offshore associated gas production in close proximity to a well-priced gas market. The Company has met with several offshore oil and gas producers and developers in the Santos and Campos Basins whom are seeking a solution to monetise associated gas. GEV and GAIA are jointly working together to identify, evaluate and develop these prospective marine CNG projects.

On 22 August 2019, the Company completed a capital raising of \$3,000,000 (before costs) by the issue of 20 million ordinary shares at \$0.15 each.

LIKELY DEVELOPMENTS

The directors intend to actively pursue the acquisition of equity positions and the development of commercialisation solutions for Compressed Natural Gas (CNG) in stranded gas fields. Stranded gas fields refers to those gas fields where neither a gas pipeline can be built and/or for various reasons it is not viable to establish a Liquefied Natural Gas (LNG) facility.

ENVIRONMENTAL ISSUES

The Company's operations in Western Australia are subject to environmental regulation under Australian Commonwealth and Western Australia State legislation. The Company has fully complied or is in the process of complying, with all of its environmental obligations in Australia. The Group's operations in the United States of America have been subject to federal, state and local environmental regulation. The Company has fully complied or is in the process of complying, with all of its environmental obligations in the United States of America and is not aware of any significant breach of these requirements.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

FLETCHER MAURICE BRAND

CHAIRMAN (EXECUTIVE)

Qualifications and Experience:

Mr Brand is a fellow of the Australian Institute of Management and of the Australian Company Directors Association. He has over 30 years' experience in the international energy industry having founded ASX listed Liquefied Natural Gas Limited in 2002 and Energy Equity Corporation Limited in 1985 (now known as ASX listed Energy World Corporation Ltd). He was the driving force behind both companies as the Managing Director and Chief Executive Officer, with ASX LNG being admitted to the ASX 200 in September 2014 with a market capitalisation of A\$2.5 billion.

DIRECTORS' REPORT

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

Director of Liquefied Natural Gas Limited from 14 August 2002 to 1 August 2016.

Special Responsibilities:

Executive Chairman.

Interest in shares and options of the Company as at the date of signing this report:

22,250,000 Ordinary Shares, 2,224,791 options exercisable at \$0.40 each and expiring on 31 May 2020, 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights in Global Energy Ventures Ltd.

Directors meetings attended during the financial year: 20.

GARRY JOHN FRANK TRIGLAVCANIN

DIRECTOR (EXECUTIVE)

Qualifications and Experience:

Mr Triglavcanin holds a Bachelor of Engineering (Mechanical) and Master of Business Administration (MBA). He has over 25 years' experience in the international energy industry across commercial, technical and legal aspects of project development, negotiation and delivery. He spent 12 years with ASX listed Liquefied Natural Gas Limited as Group Commercial Manager, developing a range of projects, including the Australian Fisherman's Landing LNG Project, Magnolia United States LNG Project and the Middle East Qeshm Island LNG Project (as Project Director for 3 years). He joined Woodside Petroleum in 2001 as Senior Commercial Advisor, working on a portfolio of renewable energy projects, as well as several merger and acquisition opportunities until 2004. As Business Development Manager of Energy Equity Corporation from October 1992 to March 2001, He was responsible for the assessment and development of energy projects in Australia and Indonesia.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

Special Responsibilities:

None.

Interest in shares and options of the Company as at the date of signing this report:

11,940,036 ordinary shares, 994,595 options exercisable at \$0.40 each and expiring on 31 May 2020, 1,500,000 Class E Performance Rights and 2,250,000 Class F Performance Rights in Global Energy Ventures Ltd.

Directors meetings attended during the financial year: 20.

DIRECTORS' REPORT

MARTIN RANDELL JOHN CAROLAN

DIRECTOR (EXECUTIVE)

APPOINTED: 2 APRIL 2019

Qualifications and Experience:

Mr Carolan holds a Bachelor of Business (Banking and Finance) and has had a successful 13-year career in the financial markets, with extensive experience in providing corporate advisory and capital raising services to a large number of small-cap ASX companies. He joined Foster Stockbroking in 2010, was made Executive Director and partner in 2014, and has been primarily responsible for managing relationships with Foster's institutional and corporate clients. Mr Carolan's professional experience prior to his time in the financial markets also included management consulting roles to large corporates during his time with Accenture and Deloitte Consulting. Mr Carolan's network of institutional and sophisticated investors across Australia, Asia and the US will be invaluable to the Company as it embarks on the financing and construction of ships for its maiden project. He has played an integral role in advising the Company since it began its CNG strategy in early 2017.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

Special Responsibilities:

Chief Financial Officer.

Interest in shares and options of the Company as at the date of signing this report:

10,756,469 ordinary shares, 628,898 options expiring on 30 May 2020 exercisable at \$0.10 each and 2,115,443 options expiring on 31 May 2020 exercisable at \$0.40 each, 333,333 options expiring 19-Jun-20 and exercisable at \$0-21 each, 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights in Global Energy Ventures Ltd.

Directors meetings attended during the financial year:

Attended 5 of the 5 meetings held during the financial year while he was a director.

PAUL CHARLES GARNER

DIRECTOR (NON-EXECUTIVE)

Qualifications and Experience:

Mr Garner has a well-rounded knowledge of the oil & gas industry having served the board of a number of public listed companies over the past 15 years. He has served in the capacity as Executive Director, directly focussing on the capital raising and restructuring of the companies at various stages of their development. Mr Garner's history in the oil & gas industry include; Director of GulfX Ltd from 2004 to 2008, an Executive Director of Lion Energy Limited from 2005 to 2007 and an Executive Director of Entek Energy Ltd from 2005 to 2008. Paul, in his capacity as an Executive Director, was instrumental in acquiring the prospect in the Gulf of Mexico that produced the High Island 24L gas discovery in 2006 for Entek Ltd. Prior to his involvement in the O&G industry Mr Garner spent several years in international business, property and equities market. Mr Garner has been a Director of GEV since 2012 and served as Managing Director through a transition period.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

DIRECTORS' REPORT

Special Responsibilities:

None.

Interest in shares and options of the Company as at the date of signing this report:

13,100,000 Ordinary Shares, 559,677 Options expiring on 30 May 2020 exercisable at \$0.10 each, 800,000 Options expiring on 31 May 2020 exercisable at \$0.40 each, 500,000 Class E Performance Rights and 750,000 Class F Performance Rights in Global Energy Ventures Ltd.

*Directors meetings attended during the financial year: 20.***THOMAS SODERBERG**

DIRECTOR (NON-EXECUTIVE)

APPOINTED: 1 SEPTEMBER 2019

Qualifications and Experience:

Mr Soderberg has over 30 years experience in the shipping industry with first in class organizations like AP Moller/Maersk, HSBC, Seatankers/John Fredriksen and Armada Group. He resides in Hong Kong with more than 30 years' experience and network in Asia, as Director of HSBC Shipping Services, heading up Ship Sales and Purchases, newbuilds and alternative ship finance activities in the region, General Manager of Seatankers (John Fredriksen Group) and Chief Investment Officer of Armada Group. He is the founder of Tribini Capital Limited, a shipowning and investment platform which has contracted, built and financed ship newbuilds in China. Tribini Capital also operates a fleet of ships.

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

Special Responsibilities:

None.

Interest in shares and options of the Company as at the date of signing this report:

1,000,000 Ordinary Shares in Global Energy Ventures Ltd.

Mr Soderberg was not a Director during the financial year and therefore did not attend and Directors meetings during the financial year.

JENS MARTIN JENSEN

DIRECTOR (NON-EXECUTIVE)

RESIGNED: 30 AUGUST 2019

Qualifications and Experience:

Mr Jensen has more than 30 years' experience in shipping and has been involved with more than US\$100 billion in a full range of shipping transactions. He is a partner in Pillarstone Europe, a platform established in 2015 by KKR Credit and John Davison, to partner with European banks to create value by managing their exposure to non core and underperforming assets on their balance sheet. Jens will share his time between Pillarstone and GEV. Prior to joining Pillarstone, Jens spent 11 years working with the John Fredriksen group of shipping companies in a variety of development and commercial roles, including as the CEO of Frontline Management for six years. In December 2017, Jens was appointed to the Board of Directors of 2020 Bulkers Ltd, an Oslo OTC-listed company led by Tor Olav Trøim.

DIRECTORS' REPORT

Directorships of other listed companies in the 3 years prior to the end of the Financial Year:

None.

Special Responsibilities:

None.

Interest in shares and options of the Company as at the date of signing this report:

3,280,000 Ordinary Shares in Global Energy Ventures Ltd.

Directors meetings attended during the financial year: 20.

JACK TOBY

COMPANY SECRETARY

Qualifications

Mr Toby is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Institute of Chartered Accountants in England and Wales and an Associate member of the Australian Computer Society.

Experience

Mr Toby has extensive experience as Company Secretary and Chief Financial Officer of several listed public companies and major corporations for over the last 30 years.

DIRECTORS MEETINGS

During the year ended 30 June 2018, 20 meetings of directors were held.

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

Remuneration is based on fees set by resolution of the Board of Directors.

Remuneration for Mr Fletcher Maurice Brand was set at \$180,000 per year to 28 February 2019 and revised to \$250,000 per year thereafter. Remuneration for Mr Garry Triglavcanin was set at \$240,000 per year to 28 February 2019 and revised to \$250,000 per year thereafter. Remuneration for Mr Garner's was set at \$120,000 per year to 28 February 2019 and revised to \$60,000 per year thereafter. Remuneration for Mr Jensen was set at \$120,000 per year. Remuneration for Mr Carolan was set at \$250,000 per year from the date of his appointment on 2 April 2019.

Directors are also awarded additional fees for extra services or special exertions. Remuneration consultants were not engaged during the financial year.

DIRECTORS' REPORT

The Company has executed an employment contract with Mr Martin Carolan with key terms of contract commencement on 2 April 2019 with contract termination 30 March 2022 unless terminated earlier. Either the Company or Mr Carolan may terminate the agreement for any reason on giving not less than 3 months' prior written notice. The Company may also terminate the agreement immediately for cause. Remuneration of A\$250,000 per year including superannuation contributions. Incentives subject to shareholder approval (which was obtained on 29 April 2019) of the issue of 1 million GEV ordinary shares, 2 million Class E Performance Rights and 3 million Class F Performance Rights.

There are no other employment contracts for any of the key management personnel and no termination benefits are payable for any of the key management personnel.

The names and positions of key management personnel of the Company and of the Consolidated Entity who have held office during the financial year are:

DIRECTORS

Fletcher Maurice Brand	Executive Chairman
Garry John Frank Triglavcanin	Executive Director
Martin Randell John Carolan	Executive Director (appointed 2 April 2019)
Paul Charles Garner	Non-Executive Director
Jens Martin Jensen	Non-Executive Director

EXECUTIVES

Jack Toby	Company Secretary
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Primary Remuneration 2019

	Salary and Fees \$	Bonus \$	Super- annuation \$	Total \$
REMUNERATION OF DIRECTORS BASED ON FEES APPROVED BY THE BOARD OF DIRECTORS.				
Fletcher Maurice Brand	185,692	—	17,641	203,333
Garry John Frank Triglavcanin	243,320	—	—	243,320
Martin Randell John Carolan	56,444	—	5,362	61,806
Paul Garner	100,000	—	—	100,000
Jens Martin Jensen	120,000	—	—	120,000
TOTAL PRIMARY REMUNERATION FOR DIRECTORS	705,456	—	23,003	728,459
REMUNERATION OF EXECUTIVES BASED ON FEES APPROVED BY THE BOARD OF DIRECTORS.				
Jack Toby	126,000	—	—	126,000
TOTAL PRIMARY REMUNERATION FOR OTHER KEY MANAGEMENT PERSONNEL	126,000	—	—	126,000

DIRECTORS' REPORT

	Total Remuneration 2019			
	Primary Remuneration \$	Equity Remuneration \$	Total \$	Equity Remuneration % of Total
REMUNERATION OF DIRECTORS BASED ON APPROVAL BY THE BOARD OF DIRECTORS.				
Fletcher Maurice Brand	203,333	150,000	353,333	42.45%
Garry John Frank Triglavcanin	243,320	112,500	355,820	31.62%
Martin Randell John Carolan	61,806	209,900	271,706	77.25%
Paul Garner	100,000	37,500	137,500	27.27%
Jens Martin Jensen	120,000	209,900	329,900	63.63%
TOTAL REMUNERATION FOR DIRECTORS	728,459	719,800	1,448,259	49.70%
REMUNERATION OF EXECUTIVES BASED ON APPROVAL BY THE BOARD OF DIRECTORS.				
Jack Toby	126,000	—	126,000	—
TOTAL REMUNERATION FOR OTHER KEY MANAGEMENT PERSONNEL	126,000	—	126,000	—

On 13 February 2019, 2,000,000 Class D Performance Rights held by directors vested as their performance conditions had been met. 1,000,000 Class D Performance Rights were held by Fletcher Maurice Brand, 750,000 Class D Performance Rights were held by Garry John Frank Triglavcanin and 250,000 Class D Performance Rights were held by Paul Garner. Consequently, on 13 February 2019 2,000,000 ordinary shares were issued pursuant to the vesting of the Class D Performance Rights. The Class D Performance Rights were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, on vesting the value of the Class D Performance rights were recognised for accounting purposes based on market price at \$0.15 each.

The Company issued 1,000,000 free ordinary shares valued at \$209,900 to Mr Jens Martin Jensen and 1,000,000 free ordinary shares valued at \$209,900 to Mr Martin Carolan on 7 May 2019. The shares were valued at \$0.2099 per share based on market price at issue. The issue of these shares was approved at the general meeting of shareholders held on 29 April 2019.

DIRECTORS' REPORT

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together "EF Performance Rights") to Mr Martin Carolan. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. These EF 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. Sea NG Corporation has changed its name to GEV Canada Corporation.

Primary Remuneration 2018

	Salary and Fees \$	Bonus \$	Super- annuation \$	Total \$
REMUNERATION OF DIRECTORS BASED ON FEES APPROVED BY THE BOARD OF DIRECTORS.				
Fletcher Maurice Brand	127,854	—	12,146	140,000
Garry John Frank Triglavcanin	234,795	—	5,205	240,000
Paul Garner	100,000	—	—	100,000
Jens Martin Jensen	50,000	—	—	50,000
TOTAL PRIMARY REMUNERATION FOR DIRECTORS	512,649	—	17,351	530,000
REMUNERATION OF EXECUTIVES BASED ON FEES APPROVED BY THE BOARD OF DIRECTORS.				
Jack Toby	126,000	—	—	126,000
TOTAL PRIMARY REMUNERATION FOR OTHER KEY MANAGEMENT PERSONNEL	126,000	—	—	126,000

DIRECTORS' REPORT

	Total Remuneration 2018			
	Primary Remuneration \$	Equity Remuneration \$	Total \$	Equity Remuneration % of Total
REMUNERATION OF DIRECTORS BASED ON APPROVAL BY THE BOARD OF DIRECTORS.				
Fletcher Maurice Brand	140,000	—	140,000	—
Garry John Frank Triglavcanin	240,000	—	240,000	—
Paul Garner	100,000	—	100,000	—
Jens Martin Jensen	50,000	330,000	380,000	86.84%
TOTAL REMUNERATION FOR DIRECTORS	530,000	330,000	860,000	38.37%
REMUNERATION OF EXECUTIVES BASED ON APPROVAL BY THE BOARD OF DIRECTORS.				
Jack Toby	126,000	140,000	266,000	52.63%
TOTAL REMUNERATION FOR OTHER KEY MANAGEMENT PERSONNEL	126,000	140,000	266,000	52.63%

DIRECTORS' REPORT

On 7 December 2017, 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. 1,000,000 Class D Performance Rights, 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights were issued to Fletcher Maurice Brand. 750,000 Class D Performance Rights, 1,500,000 Class E Performance Rights and 2,250,000 Class F Performance Rights were issued to Garry John Frank Triglavcanin. 250,000 Class D Performance Rights, 500,000 Class E Performance Rights and 750,000 Class F Performance Rights were issued to Paul Garner. 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 entitles the holder to 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 exercised or cancelled during the period. None of the DEF Performance Rights had their vesting conditions met during the year ended 30 June 2018. The Class D Performance Rights vested and their value was recognised for accounting purposes during the year ended 30 June 2019. The Class E Performance Rights and the Class F 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. Subsequent to the issue of these Performance Rights, Sea NG Corporation changed its name to GEV Canada Corporation.

On 6 February 2018, the Company issued 7,000,000 ordinary shares to Fletcher Maurice Brand and 7,000,000 ordinary shares to Garry John Frank Triglavcanin pursuant to the vesting and exercise of comprising Class A, Class B and Class C Performance Rights, issued on 30 January 2017, on the basis of one ordinary share for each Performance Right.

The Company issued 350,000 free ordinary shares valued at \$140,000 to Mr Jack Toby on 6 February 2018, pursuant to the Company's employee share plan approved by shareholders on 30 November 2017. The shares were valued at \$0.40 per share based on the market price of the shares on the day of issue.

The Company issued 1,000,000 free ordinary shares valued at \$330,000 to Mr Jens Martin Jensen on 4 May 2018. The shares were valued at \$0.33 per share based on the market price of the shares on the day of issue. The issue of these shares was approved at the general meeting of shareholders held on 30 April 2018.

DIRECTORS' REPORT

There is no other relationship between the performance or the impact on shareholder wealth of the Company for the current financial year or the previous four financial years and either the remuneration of directors and executives or the issue of shares and options to directors. Remuneration is set at levels to reflect market conditions and encourage the continued services of directors and executives.

SHARES HELD BY KEY MANAGEMENT PERSONNEL

Year Ended 30 June 2019

	Number of Ordinary Shares				30 June 2019
	1 July 2018 or Appointment	Exercise of Perf Rights	Issued as Remuneration	Net Change Other	
Fletcher Maurice Brand	21,250,000	1,000,000	—	—	22,250,000
Garry Triglavcanin	11,190,036	750,000	—	—	11,940,036
Martin Carolan	9,226,469	—	1,000,000	280,000	10,506,469
Paul Garner	13,100,000	250,000	—	(250,000)	13,100,000
Jens Martin Jensen	2,000,000	—	1,000,000	280,000	3,280,000
Jack Toby	5,150,000	—	—	200,000	5,350,000
	61,916,505	2,000,000	2,000,000	510,000	66,426,505

OPTIONS HELD BY KEY MANAGEMENT PERSONNEL

Year Ended 30 June 2019

	Number of Options			30 June 2019
	1 July 2018 or Appointment	Granted as Remuneration	Net Change Other	
Fletcher Maurice Brand	2,224,791	—	—	2,224,791
Garry Triglavcanin	994,595	—	—	994,595
Martin Carolan	2,618,089	—	459,585	3,077,674
Paul Garner	1,359,677	—	—	1,359,677
Jens Martin Jensen	—	—	—	—
Jack Toby	500,000	—	—	500,000
	7,697,152	—	459,585	8,156,737

All options are vested and exercisable.

DIRECTORS' REPORT

PERFORMANCE RIGHTS HELD BY KEY MANAGEMENT PERSONNEL

Year Ended 30 June 2019

	Number of Performance Rights			30 June 2019
	1 July 2018 or Appointment	Granted as Remuneration	Shares issued pursuant to exercise	
Fletcher Maurice Brand	6,000,000	—	(1,000,000)	5,000,000
Garry Triglavcanin	4,500,000	—	(750,000)	3,750,000
Martin Carolan	—	5,000,000	—	5,000,000
Paul Garner	1,500,000	—	(250,000)	1,250,000
Jens Martin Jensen	—	—	—	—
Jack Toby	—	—	—	—
	12,000,000	5,000,000	(2,000,000)	15,000,000

End of Audited Section

OPTIONS GRANTED OVER UNISSUED SHARES

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together "EF Performance Rights"). All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. Sea NG Corporation has changed its name to GEV Canada Corporation.

OPTIONS OVER UNISSUED SHARES EXPIRED

No options over unissued shares in the Company expired unexercised during or subsequent to the year ended 30 June 2019.

DIRECTORS' REPORT

OPTIONS OVER UNISSUED SHARES EXERCISED

During the year ended 30 June 2019, 666,666 ordinary shares were issued pursuant to the exercise of 666,666 options exercisable for \$0.10 each and expiring on 30 May 2020. Subsequent to the year ended 30 June 2019, no shares were issued by virtue of the exercise of options.

On 13 February 2019, 2,500,000 ordinary shares were issued pursuant to the vesting of 2,500,000 Class D Performance Rights.

OPTIONS OVER UNISSUED SHARES OUTSTANDING

The following options to subscribe for unissued fully paid ordinary shares in the Company are outstanding at the date of this report:

6,108,017 options exercisable at \$0.10 each and expiring on 30 May 2020, 31,630,385 options exercisable at \$0.40 each and expiring on 31 May 2020, 2,000,000 options exercisable at \$0.14 each and expiring on 18 June 2020 and 3,000,000 options exercisable at \$0.21 each and expiring on 19 June 2020.

The following performance rights for the issue of unissued fully paid ordinary shares in the Company are outstanding at the date of this report:

6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights (together "EF Performance Rights"). All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. Sea NG Corporation has changed its name to GEV Canada Corporation.

No person entitled to exercise any of these options or performance rights had or has any right by virtue of the option to participate in any share issue of any other body corporate.

INDEMNIFYING AND INSURING DIRECTORS, OFFICERS OR AUDITORS

During the financial year, the Company paid premiums for Directors and Officers liability insurance. Except as disclosed above, the Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:

DIRECTORS' REPORT

- a) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- b) paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the *Corporations Act 2001* section 307C a signed Auditor's Independence Declaration to the directors in relation to the year ended 30 June 2019 has been provided to the Company. This declaration has been included in this document.

Other fees charged by the auditors to the Company or related entities were tax advice and tax return preparation costs of \$7,000. The directors are satisfied that the services disclosed did not compromise the auditor's independence.

Signed in accordance with a resolution of the directors.



Fletcher Maurice Brand
Director

2 September 2019
Perth, Western Australia

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Global Energy Ventures Ltd A.C.N. 109 213 470 ("Company"), I state that:

In the opinion of the directors:

- 1) the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001* including:
 - a) complying with International Financial Reporting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Consolidated Entity; and
 - c) the remuneration report disclosures set out on pages 10 to 17 of the directors' report (as part of the Remuneration Report), for the year ended 30 June 2019, comply with section 300A of the *Corporations Act 2001*.
- 2) As required by section 295A of the *Corporations Act 2001*, the Chief Executive Officer, Mr Fletcher Maurice Brand, and Chief Financial Officer, Mr Martin Carolan, have each declared in writing that:
 - a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b) the financial statements and notes for the financial year comply with the International Financial Reporting Standards; and
 - c) the financial statements and notes for the financial year give a true and fair view.
- 3) in the director's 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.

On behalf of the Board of Directors.



Fletcher Maurice Brand
Director

2 September 2019
Perth, Western Australia

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 30 JUNE 2019**

		Consolidated Entity	
	Note	2019	2018
		\$	\$
Revenue from operating activities	2	—	34,828
Cost of sales	2	—	(36,157)
GROSS (LOSS)		—	(1,329)
Revenue from non-operating activities	2	2,580,053	1,330,198
Research and development		(3,616,623)	(2,985,979)
Project development expenses		(2,214,299)	(1,614,031)
Exploration expenses	2	—	(330,510)
Share based payments	16	(1,174,800)	(570,000)
Impairment of investment	5	(170,394)	—
Other expenses	2	(1,956,471)	(1,792,771)
LOSS BEFORE INCOME TAX EXPENSE		(6,552,534)	(5,964,422)
Income tax expense	3	—	—
LOSS AFTER RELATED INCOME TAX EXPENSE		(6,552,534)	(5,964,422)
OTHER COMPREHENSIVE INCOME			
Exchange differences on translating foreign operations		(1,541,898)	(1,070,302)
Impairment of investment	5	(2,639,591)	—
Income tax relating to components of other comprehensive income			
OTHER COMPREHENSIVE LOSS AFTER INCOME TAX		(4,181,489)	(1,070,302)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(10,734,023)	(7,034,724)
BASIC (LOSS) PER SHARE (CENTS PER SHARE)	4	(1.93)	(2.09)
DILUTED (LOSS) PER SHARE (CENTS PER SHARE)	4	(1.93)	(2.09)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	Consolidated Entity 2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	12	2,428,371	5,380,088
Trade and other receivables		14,519	38,812
TOTAL CURRENT ASSETS		2,442,890	5,418,900
NON-CURRENT ASSETS			
Plant and equipment		13,973	16,341
Receivables		43,417	43,417
Investments	5	—	2,639,591
Intellectual Property	6	6,214,830	6,214,830
TOTAL NON-CURRENT ASSETS		6,272,220	8,914,179
TOTAL ASSETS		8,715,110	14,333,079
CURRENT LIABILITIES			
Trade and other payables	8	134,384	743,076
Provisions		15,596	7,816
TOTAL CURRENT LIABILITIES		149,980	750,892
TOTAL LIABILITIES		149,980	750,892
NET ASSETS		8,565,130	13,582,187
EQUITY			
Issued capital	9	66,058,203	60,993,737
Reserves	10	(5,638,249)	(2,109,260)
Accumulated losses		(51,854,824)	(45,302,290)
TOTAL EQUITY		8,565,130	13,582,187

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	Consolidated Entity 2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		—	42,865
Payments to suppliers and employees		(2,874,844)	(1,965,721)
Production costs		—	(36,157)
Research and development		(3,205,968)	(2,626,121)
Project development		(2,280,832)	(1,347,641)
Interest received		8,507	15,908
Research and development tax concession rebate		1,002,330	—
Other income		—	71,096
NET CASH OUTFLOW USED IN OPERATING ACTIVITIES	12	(7,350,807)	(5,845,771)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans to other entities		(170,394)	—
Acquisition of oil and gas interests		—	(2,224)
Proceeds from disposal of oil and gas interests		—	461,372
Payments for exploration expenditure		—	(158,996)
Payments for purchase of plant and equipment		—	(16,595)
Purchase of investments		—	(3,300,690)
NET CASH OUTFLOW USED IN INVESTING ACTIVITIES		(170,394)	(3,017,133)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issues		4,766,666	10,799,801
Capital raising costs		(224,500)	(577,500)
NET CASH INFLOW FROM FINANCING ACTIVITIES		4,542,166	10,222,301
NET (DECREASE)/INCREASE IN CASH HELD		(2,979,035)	1,359,397
Net foreign exchange differences		27,318	156,013
Cash and cash equivalents at beginning of year		5,380,088	3,864,678
CASH AND CASH EQUIVALENTS AT END OF YEAR	12	2,428,371	5,380,088

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

ATTRIBUTABLE TO MEMBERS OF THE COMPANY	CONSOLIDATED ENTITY					
	Issued Capital \$	Option Premium Reserve \$	Currency Translation Reserve \$	Fair Value Reserve	Accumulated Losses \$	Total Equity \$
At 1 July 2017	46,104,428	1,356,492	(2,395,450)	—	(39,337,868)	5,727,602
COMPREHENSIVE LOSS						
Currency translation	—	—	(1,070,302)	—	—	(1,070,302)
Loss for year	—	—	—	—	(5,964,422)	(5,964,422)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	—	—	(1,070,302)	—	(5,964,422)	(7,034,724)
TRANSACTIONS WITH OWNERS, IN THEIR CAPACITY AS OWNERS, AND OTHER TRANSFERS						
Securities issued	15,466,809	—	—	—	—	15,466,809
Equity raising costs	(577,500)	—	—	—	—	(577,500)
TOTAL TRANSACTIONS WITH OWNERS AND OTHER TRANSFERS	14,889,309	—	—	—	—	14,889,309
At 30 June 2018	60,993,737	1,356,492	(3,465,752)	—	(45,302,290)	13,582,187
COMPREHENSIVE LOSS						
Currency translation	—	—	(1,541,898)	—	—	(1,541,898)
Impairment of investment	—	—	—	(2,639,591)	—	(2,639,591)
Loss for year	—	—	—	—	(6,552,534)	(6,552,534)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	—	—	(1,541,898)	(2,639,591)	(6,552,534)	(10,734,023)
TRANSACTIONS WITH OWNERS, IN THEIR CAPACITY AS OWNERS, AND OTHER TRANSFERS						
Securities issued	5,288,966	652,500	—	—	—	5,941,466
Equity raising costs	(224,500)	—	—	—	—	(224,500)
TOTAL TRANSACTIONS WITH OWNERS AND OTHER TRANSFERS	5,064,466	652,500	—	—	—	5,716,966
At 30 June 2019	66,058,203	2,008,992	(5,007,650)	(2,639,591)	(51,854,824)	8,565,130

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies adopted by Global Energy Ventures Ltd A.C.N. 109 213 470 ("GEV" or "Company" or "Parent Entity") and its controlled entities ("Consolidated Entity" or "Group") in the preparation of these financial statements.

Basis of Preparation of Accounts

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) and the *Corporations Act 2001*. The consolidated financial report of the Group also complies with the International Financial Reporting Standards ("IFRS") and interpretations adopted by the International Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on a historical cost basis, except for any available-for-sale financial assets that have been measured at fair value. The presentation currency used in this financial report is Australian Dollars.

This financial report is issued in accordance with a resolution of the directors of the Company on the same date as the Directors' Declaration above.

Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in any material changes to the Group's accounting policies.

At the date of authorisation of the financial report, Standards and Interpretations that have been issued but are not yet effective do not have a material impact on these financial statements.

AASB 15 Revenue from Contracts with Customers and AASB 9 Financial Instruments became effective for periods beginning on or after 1 January 2018. Accordingly, the Group applied AASB 15 and AASB 9 for the first time to the year ended 30 June 2019. Changes to the Group's accounting policies arising from these standards had no effect on these financial statements.

Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies adopted by the Company in the preparation of these financial statements. The Company is a listed public company limited by shares, incorporated and domiciled in Australia.

a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at and for the period ended 30 June each year (the Group). Interests in associates are equity accounted and are not part of the consolidated Group. Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intragroup transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries are accounted for at cost in the separate financial statements of the parent entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues in the separate income statement of the parent entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the parent will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition. A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction. Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent. Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary; derecognises the carrying amount of any non-controlling interest; derecognises the cumulative translation differences, recorded in equity; recognises the fair value of the consideration received; recognises the fair value of any investment retained; recognises any surplus or deficit in profit or loss and reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

b) Foreign currency translation

The presentation currency of the Company and its subsidiaries is Australian dollars. The functional currency of the Company is Australian dollars. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences in the consolidated financial report are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement. Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The functional currency of overseas subsidiaries is United States dollars. As at the reporting date the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of the Company at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the period. The exchange differences arising on the retranslation are taken directly to a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement as part of the gain or loss on sale as applicable.

c) Taxes*Income Tax*

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

d) *Employee Benefits*

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave. Employee benefits, expenses and revenues arising in respect of wages and salaries; non monetary benefits; annual leave; long service leave and other leave and other employee entitlements are charged against profits on a net basis.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred. The Group has no legal obligation to cover any shortfall in any superannuation fund's obligation to provide benefits to employees on retirement.

e) *Cash and cash equivalents*

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with a maturity of three months or less. For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts and investments in money market instruments with less than 14 days to maturity.

f) *Revenue recognition*

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Management fees are recognised on a proportional basis.

g) *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except: where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority. Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from the investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

h) *Impairment of assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease). An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i) *Leases*

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership. The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis. Contingent rentals are recognised as an expense in the financial year in which they are incurred.

j) *Issued capital*

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

k) *Property, Plant and Equipment*

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Land and buildings are measured at fair value less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment – over 1 to 15 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

l) *Trade and other receivables*

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group writes off fully any amounts that are more than 90 days past due.

m) *Trade and other payables*

Trade payables and other payables are carried at amortised cost which represents future liabilities for goods and services received, whether or not billed to the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

n) Investments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

The investment classifications 'Available-for-sale financial assets' and 'Held-to-maturity investments' are no longer used and 'Financial assets at fair value through other comprehensive income' was introduced. At 30 June 2018, the Company held an investment comprising a 5% interest in Meridian Holdings Co. which has been reclassified as held at fair value through other comprehensive income.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

o) Significant accounting judgements, estimates and assumptions

Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Key Estimates – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the taxation authorities in the jurisdictions in which the Group operates.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences when management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted except where the Group is unable to estimate reliably the fair value of the equity instruments granted at the measurement date in which case the intrinsic value method is applied. The fair value is determined using the Monte Carlo model or a binomial model, using the assumptions detailed. The Group measures the cost of cash-settled share-based payments at fair value at the grant date using a binomial formula taking into account the terms and conditions upon which the instruments were granted.

p) *Exploration and Development Expenditure*

Oil and gas properties include capitalised project expenditure and development expenditure. The Group uses the units of production method to amortise costs carried forward in relation to its oil and gas properties. For this approach, the calculations are based on proved and probable reserves as determined by the Group's estimates. Impairment of the carrying value of oil and gas expenditure is calculated on a field by field basis.

An area of interest refers to an individual geographical area where the presence of oil or a natural gas field is considered favourable or has been proved to exist.

Acquisition costs of rights to explore are accumulated in respect of each identifiable area of interest. These costs are only carried forward while the right to tenure of the area of interest remains current and only to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Other exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward where the right to tenure of the area of interest remains current and only to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Exploration and evaluation expenditures that do not meet the above criteria are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis. Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

q) *Share-based payment transactions*

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted except where the Group is unable to estimate reliably the fair value of the equity instruments granted at the measurement date in which case the intrinsic value method is applied. The fair value is determined by using the Black-Scholes or a binomial model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ('market conditions'). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

r) *Earnings/(loss) per share*

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element. Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for: costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

s) *Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred. The useful lives of the intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of economic future benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortised expense of intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Intangible assets with indefinite useful lives or those that are not yet ready for use are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supported. If not, the changes in the useful life from indefinite to finite are made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Consolidated Entity
2019 2018
\$ \$

NOTE 2. REVENUE AND EXPENSES

The profit/(loss) before income tax has been determined after:

REVENUE FROM CONTINUING OPERATIONS
Operating activities

Oil and gas sales	—	34,828
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TOTAL REVENUE FROM OPERATING ACTIVITIES

	—	34,828
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Non-Operating activities

Interest received from other persons	8,507	15,908
Realised exchange gains	100,888	67,268
Unrealised exchange gains	1,468,328	1,168,156
Research and development tax concession rebate	1,002,330	—
Profit on disposal of oil and gas properties	—	7,770
Other revenue	—	71,096

TOTAL REVENUE FROM NON-OPERATING ACTIVITIES

	2,580,053	1,330,198
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TOTAL REVENUE FROM CONTINUING OPERATIONS

	2,580,053	1,365,026
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CHARGING AS EXPENSES
Cost of sales

Production costs	—	36,157
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	—	36,157
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Exploration expenses

Exploration expenditure written off	—	232,471
Other exploration expenses	—	98,039

	—	330,510
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Other expenses

Employee benefits and consultants expenses	1,186,045	983,905
Depreciation	2,368	869
Administrative expenses	668,807	743,205
Rental expense on operating lease	99,251	64,792

	1,956,471	1,792,771
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Consolidated Entity
2019 2018
\$ \$

NOTE 3. INCOME TAX
INCOME TAX BENEFIT

Numerical reconciliation between tax expense and pre-tax net loss:

LOSS BEFORE INCOME TAX BENEFIT	(6,552,534)	(5,964,422)
Income tax using the Company's domestic tax rate of 27.5% (2018: 30%)	(1,801,947)	(1,640,216)
Share based payments	323,070	156,750
Capital raising costs	(95,946)	(46,645)
Other non-deductible expenses/(deductible tax adjustments)	467,839	448,456
Current deferred tax asset not recognised	1,106,984	1,081,655
INCOME TAX BENEFIT (EXPENSE) ATTRIBUTABLE TO ENTITY	—	—

Estimated unused tax losses of \$48,796,925 (2018: \$43,524,013) have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the relevant regulatory authorities in each of the jurisdictions in which the Company operates. The benefit of deferred tax assets not brought to account will only be brought to account if future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised and the conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

NOTE 4. EARNINGS PER SHARE

Basic loss per share (cents per share)	(1.93)	(2.09)
Diluted loss per share (cents per share)	(1.93)	(2.09)
(Loss) used in the calculation of basic EPS	(6,552,534)	(5,964,422)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	339,249,365	284,902,857
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	339,249,365	284,902,857

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

During the year ended 30 June 2019, 5,000,000 Performance Rights were issued which entitle the holder to receive ordinary shares subject to various conditions, 2,500,000 ordinary shares were issued pursuant to the vesting and exercise of Performance rights, no options were issued, 666,666 options exercisable at \$0.10 each were exercised and no options expired unexercised, leaving 16,500,000 Performance Rights and 42,738,402 options outstanding at 30 June 2019 (note 9). In addition, 15,850,000 Performance Shares with rights to conversion to ordinary shares remained outstanding at 30 June 2019. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not decrease the net profit from continuing operations per share nor increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

During the year ended 30 June 2018, 14,000,000 Performance Rights were issued which entitle the holder to receive ordinary shares subject to various conditions, 14,000,000 ordinary shares were issued pursuant to the vesting and exercise of Performance rights, no options were issued, 492,004 options exercisable at \$0.10 each were exercised and no options expired unexercised, leaving 14,000,000 Performance Rights and 43,405,068 options outstanding at 30 June 2018 (note 9). In addition, 15,850,000 Performance Shares with rights to conversion to ordinary shares were issued during the year and remained outstanding at 30 June 2018. These securities are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would not decrease the net profit from continuing operations per share nor increase the net loss from continuing ordinary operations per share. Consequently, diluted earnings per share is the same as basic earnings per share.

Consolidated Entity	
2019	2018
\$	\$

NOTE 5. INVESTMENTS
FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Shares in other unlisted unrelated corporations, at cost

—	2,639,591
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—	2,639,591
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The Company acquired a 5% interest for US\$2 million in Meridian Holdings Co. ("Meridian"), a company registered in the Cayman Islands. Meridian has granted the Company 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 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. In addition, during the year ended 30 June 2019, the Company has loaned US\$120,000 (which converts to A\$170,394) to Meridian to assist with operational funding. During the year ended 30 June 2019, the Company booked an impairment of 100% of the investment and the loan, amounting to A\$2,809,985, comprising \$170,394 recognised in the Profit and Loss Account and \$2,639,591 recognised in Other Comprehensive Income Account, due to uncertainty over the recoverable amount of this investment in the current and immediately foreseeable European gas market.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Consolidated Entity

2019	2018
\$	\$

NOTE 6. INTELLECTUAL PROPERTY

Intellectual property	6,214,830	6,214,830
	<u>6,214,830</u>	<u>6,214,830</u>

Intellectual property comprises compressed natural gas (**CNG**) marine transport design technology and associated patents derived from the acquisition on 7 December 2017 of 100% of Sea NG Corporation (**SeaNG**), a Calgary based company. SeaNG has since changed its name to GEV Canada Corporation. An annual impairment assessment has been carried out in accordance with the Company's accounting policy on intangible assets by independent technical expert, who has concluded that the intellectual property and associated patents are not impaired.

NOTE 7. CAPITALISED OIL AND GAS EXPENDITURE

MOVEMENTS IN THE CARRYING AMOUNT OF LEASE ACQUISITION COSTS FOR PRODUCING PROPERTIES

At the beginning of the financial year	—	269,361
Transferred to undeveloped properties	—	(93,139)
Expenditure incurred during the year	—	—
Written down during the year	—	(87,065)
Disposals	—	(96,063)
Exchange rate adjustment	—	6,906
AT THE END OF THE FINANCIAL YEAR	<u>—</u>	<u>—</u>

MOVEMENTS IN THE CARRYING AMOUNT OF LEASE ACQUISITION COSTS FOR UNDEVELOPED PROPERTIES

At the beginning of the financial year	—	380,665
Transferred from producing properties	—	93,139
Expenditure incurred during the year	—	2,224
Written down during the year	—	(120,692)
Disposals	—	(365,309)
Exchange rate adjustment	—	9,973
AT THE END OF THE FINANCIAL YEAR	<u>—</u>	<u>—</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated Entity	
	2019	2018
	\$	\$
MOVEMENTS IN THE CARRYING AMOUNT OF EXPLORATION AND DEVELOPMENT COSTS ON UNDEVELOPED PROPERTIES		
At the beginning of the financial year	—	—
Expenditure incurred during the year	—	24,714
Written down during the year	—	(24,714)
Exchange rate adjustment	—	—
AT THE END OF THE FINANCIAL YEAR	—	—
TOTAL CAPITALISED OIL AND GAS EXPENDITURE	—	—

NOTE 8. TRADE AND OTHER PAYABLES (CURRENT)

Trade creditors	123,384	725,076
Sundry creditors and accrued expenses	11,000	18,000
	134,384	743,076

NOTE 9. ISSUED CAPITAL

ORDINARY SHARES

362,878,223 (2018: 325,878,224) fully paid ordinary shares	66,058,203	60,993,737
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PERFORMANCE SHARES

15,850,000 (2018: 15,850,000) performance shares	—	—
	66,058,203	60,993,737

	Date	Number of Shares	Consolidated Entity	
			2019	2018
			\$	\$
MOVEMENTS IN ORDINARY SHARES				
At the beginning of the financial year			60,993,737	46,104,428
Shares issued free pursuant to Employee Share Plan approved by shareholders on 30-Nov-17	04-Jul-18	500,000	102,500	—
Shares issued for \$0.15 each (ratified by shareholders on 29-Apr-19)	13-Feb-19	29,933,333	4,490,000	—
Shares issued pursuant to the vesting and exercise of class D performance rights	13-Feb-19	2,500,000	—	—
Shares issued for \$0.15 each (approved by shareholders on 29-Apr-19)	07-May-19	1,400,000	210,000	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Date	Number of Shares	Consolidated Entity	
			2019 \$	2018 \$
Shares issued free as remuneration to directors (approved by shareholders on 29-Apr-19)	07-May-19	2,000,000	419,800	—
Shares issued for \$0.10 each pursuant to the exercise of options expiring on 30-May-20	07-May-19	666,666	66,666	—
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
Shares issued pursuant to the vesting and exercise of classes A, B and C performance rights	06-Feb-18	14,000,000	—	—
Shares issued free pursuant to Employee Share Plan approved by shareholders on 30-Nov-17	06-Feb-18	600,000	—	240,000
Shares issued for \$0.40 each (ratified by shareholders on 30-Apr-18)	06-Feb-18	16,876,000	—	6,750,400
Shares issued free as remuneration to director (approved by shareholders on 30-Apr-18)	04-May-18	1,000,000	—	330,000
Shares issued for \$0.10 each pursuant to the exercise of options expiring on 30-May-20	04-May-18	492,004		49,201
Other share issue expenses			(224,500)	(577,500)
AT THE END OF THE FINANCIAL YEAR			66,058,203	60,993,737

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Global Energy Ventures Ltd (“GEV”) has 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 year. 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 Sea NG Corporation 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 year. None of the Performance Shares had their vesting conditions met during the year. The value of the Class A Performance Shares was recognised for accounting purposes during the year ended 30 June 2019. The Classes B to E 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. Subsequent to the issue of these Performance Shares, Sea NG Corporation changed its name to GEV Canada Corporation.

At 30 JUNE 2019:

There were 59,238,402 unissued ordinary shares for which options were outstanding, comprising:

6,108,017 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.10 per share and expire on 30 May 2020;

31,630,385 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.40 per share and expire on 31 May 2020;

2,000,000 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.14 per share and expire on 18 June 2020;

3,000,000 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.21 per share and expire on 19 June 2020; and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights

The Class E Performance Rights and Class F Performance Rights (together “EF Performance Rights”) have the following terms and conditions. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. Sea NG Corporation has changed its name to GEV Canada Corporation.

At 30 JUNE 2018:

There were 57,405,068 unissued ordinary shares for which options were outstanding, comprising:

6,774,683 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.10 per share and expire on 30 May 2020;

31,630,385 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.40 per share and expire on 31 May 2020;

2,000,000 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.14 per share and expire on 18 June 2020;

3,000,000 options which entitle the holder to subscribe for one ordinary share in the Company for \$0.21 per share and expire on 19 June 2020; and

2,500,000 Class D Performance Rights, 4,600,000 Class E Performance Rights and 6,900,000 Class F Performance Rights

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

On 7 December 2017, 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. On 4 May 2018, GEV issued 500,000 Class D Performance Rights, 600,000 Class E Performance Rights and 900,000 Class F Performance Rights. All DEF Performance Rights remained on issue at the end of the year. All DEF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to 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. No DEF Performance Rights were exercised or cancelled during the year. None of the DEF Performance Rights had their vesting conditions met during the year. Subsequent to the issue of these Performance Rights, Sea NG Corporation changed its name to GEV Canada Corporation.

CAPITAL MANAGEMENT

Management controls the capital of the Group comprising the liquid assets held by the Group in order to maintain an appropriate debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of, and amounts paid up, of shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at any meeting of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

			Consolidated Entity	
			2019	2018
			\$	\$
NOTE 10. RESERVES				
Option premium reserve			2,008,992	1,356,492
Currency translation reserve			(5,007,650)	(3,465,752)
Fair value reserve			(2,639,591)	—
			(5,638,249)	(2,109,260)
			Consolidated Entity	
			2019	2018
			\$	\$
	Date	Number of Securities		
MOVEMENTS IN OPTION PREMIUM RESERVE				
At the beginning of the financial year			1,356,492	1,356,492
Value ascribed to issue of Class D Performance Rights issued on 07-Dec-17 and 04-May-18				
	13-Feb-19	2,500,000	375,000	—
Value ascribed to issue of Class A Performance Shares issued on 07-Dec-17				
	13-Feb-19	1,850,000	277,500	—
Issue of Class E performance rights				
	07-May-19	2,000,000	—	—
Issue of Class F performance rights				
	07-May-19	3,000,000	—	—
Exercise of options expiring on 30-May-20				
	07-May-19	(666,666)	—	—
Issue of Class D performance rights				
	07-Dec-17	2,000,000	—	—
Issue of Class E performance rights				
	07-Dec-17	4,000,000	—	—
Issue of Class F performance rights				
	07-Dec-17	6,000,000	—	—
Issue of Class D performance rights				
	04-May-18	500,000	—	—
Issue of Class E performance rights				
	04-May-18	600,000	—	—
Issue of Class F performance rights				
	04-May-18	900,000	—	—
Exercise of options expiring on 30-May-20				
	04-May-18	(492,004)	—	—
AT THE END OF THE FINANCIAL YEAR			2,008,992	1,356,492
			Consolidated Entity	
			2019	2018
			\$	\$
MOVEMENTS IN CURRENCY TRANSLATION RESERVE				
At the beginning of the financial year			(3,465,752)	(2,395,450)
Movement for the year			(1,541,898)	(1,070,302)
AT THE END OF THE FINANCIAL YEAR			(5,007,650)	(3,465,752)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Consolidated Entity	
	2019	2018
	\$	\$
MOVEMENTS IN FAIR VALUE RESERVE		
At the beginning of the financial year	—	—
Impairment of investment	(2,639,591)	—
AT THE END OF THE FINANCIAL YEAR	(2,639,591)	—

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together “EF Performance Rights”). Prior to the commencement of the year ended 30 June 2019, 4,600,000 Class E Performance Rights and 6,900,000 Class F Performance Rights had been issued, resulting in a total of 6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights on issue at 30 June 2019. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. Sea NG Corporation has changed its name to GEV Canada Corporation.

On 13 February 2019, 2,500,000 Class D Performance Rights vested as their performance conditions had been met. Consequently, on 13 February 2019 2,500,000 ordinary shares were issued pursuant to the vesting of the Class D Performance Rights. The Class D Performance Rights were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, on vesting the value of the Class D Performance rights were recognised for accounting purposes based on market price at \$0.15 each.

The formal approval for construction of the CNG 200 Optimum ship the American Bureau of Shipping also provided greater certainty of the non-market vesting conditions of the 1,850,000 Class A Performance Shares. The Class A Performance Shares were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, the value of the Class A Performance Shares were recognised for accounting purposes based on market price at \$0.15 each.

The option premium reserve is used to accumulate the fair value of options issued and premiums received on the issue of options. The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Company

2019	2018
\$	\$

NOTE 11. PARENT ENTITY

FINANCIAL INFORMATION ON THE PARENT ENTITY AS AT THE END OF THE FINANCIAL YEAR:

CURRENT ASSETS

Cash and cash equivalents	2,399,082	5,243,844
Trade and other receivables	13,496	37,625
TOTAL CURRENT ASSETS	2,412,578	5,281,469

NON-CURRENT ASSETS

Plant and equipment	13,973	16,341
Receivables	30,762,727	28,040,521
Investments	5,846,069	8,485,660
TOTAL NON-CURRENT ASSETS	36,622,769	36,542,522

TOTAL ASSETS	39,035,347	41,823,991
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CURRENT LIABILITIES

Trade and other payables	129,964	731,410
Provisions	15,596	7,816
TOTAL CURRENT LIABILITIES	145,560	739,226

TOTAL LIABILITIES	145,560	739,226
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NET ASSETS/(LIABILITIES)	38,889,787	41,084,765
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EQUITY

Issued capital	66,058,203	60,993,737
Reserves	2,008,992	1,356,492
Accumulated losses	(29,177,408)	(21,265,464)
TOTAL EQUITY	38,889,787	41,084,765

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Company

2019	2018
\$	\$

FINANCIAL INFORMATION ON THE PARENT ENTITY FOR THE FINANCIAL YEAR:

Profit/(loss) after related income tax expense	(5,272,353)	(5,018,494)
Other comprehensive income	(2,639,591)	—
TOTAL COMPREHENSIVE INCOME	(7,911,944)	(5,018,494)

There are no contingent liabilities of the Parent Entity as at the reporting date.

Consolidated Entity	
2019	2018
\$	\$

NOTE 12. CASH FLOW INFORMATION
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX

Loss after tax	(6,552,534)	(5,964,422)
<i>Cash flows in loss attributable to non-operating activities</i>		
Exploration expenditure	—	98,039
<i>Non-cash flows in loss</i>		
Cost of share based payment	1,174,800	570,000
Foreign exchange loss/(profit)	(1,569,216)	(1,235,424)
Charges to provisions	7,780	7,816
Depreciation of plant and equipment	2,368	869
Impairment of investment	170,394	—
Exploration expenditure written down	—	24,714
Lease acquisition expenditure written off	—	207,757
Profit on disposal of oil and gas properties	—	(7,770)
<i>Changes in assets and liabilities</i>		
Increase in debtors and receivables relating to operating activities	24,293	(13,419)
Increase/(decrease) in creditors and accruals relating to operating activities	(608,692)	466,069
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(7,350,807)	(5,845,771)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Consolidated Entity

2019	2018
\$	\$

RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year is shown in the accounts as:

Cash	2,428,371	5,380,088
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CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR

2,428,371	5,380,088
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NON-CASH FINANCING AND INVESTING ACTIVITIES

There were no non-cash financing and investing activities during the year.

FINANCING FACILITIES

There were no financing facilities in place for the Company at 30 June 2019.

NOTE 13. AUDITOR'S REMUNERATION

Remuneration of the auditor for:

Auditing or reviewing the financial reports	33,482	33,495
Tax compliance services	7,000	7,000

40,482	40,495
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NOTE 14. EXPENDITURE COMMITMENTS

Non-Cancellable operating leases contracted for but not capitalised in the accounts:

Payable

not later than one year	111,732	110,808
later than 1 year but not later than 5 years	65,177	175,446

AGGREGATE EXPENDITURE CONTRACTED FOR AT REPORTING DATE

176,909	286,254
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The property leases included above are non-cancellable leases with rent payable monthly in advance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 15. KEY MANAGEMENT PERSONNEL

REMUNERATION OF KEY MANAGEMENT PERSONNEL

	Consolidated Entity	
	2019	2018
	\$	\$
REMUNERATION OF KEY MANAGEMENT PERSONNEL		
Short term employee benefits	831,456	638,649
Post employment benefits	23,003	17,351
Share based payment benefits	719,800	470,000
	1,574,259	1,126,000

The Company issued the following securities:

On 13 February 2019, 2,000,000 Class D Performance Rights held by directors vested as their performance conditions had been met. 1,000,000 Class D Performance Rights were held by Fletcher Maurice Brand, 750,000 Class D Performance Rights were held by Garry John Frank Triglavcanin and 250,000 Class D Performance Rights were held by Paul Garner. Consequently, on 13 February 2019 2,000,000 ordinary shares were issued pursuant to the vesting of the Class D Performance Rights. The Class D Performance Rights were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, on vesting the value of the Class D Performance rights were recognised for accounting purposes based on market price at \$0.15 each.

The Company issued 1,000,000 free ordinary shares valued at \$209,900 to Mr Jens Martin Jensen and 1,000,000 free ordinary shares valued at \$209,900 to Mr Martin Carolan on 7 May 2019. The shares were valued at \$0.2099 per share based on market price at issue. The issue of these shares was approved at the general meeting of shareholders held on 29 April 2019.

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together "EF Performance Rights") to Mr Martin Carolan. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. These EF 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. Sea NG Corporation has changed its name to GEV Canada Corporation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 16. SHARE BASED PAYMENTS

OPTIONS ISSUED AS SHARE BASED PAYMENTS	Number of Options	Weighted Average Exercise Price
Outstanding at beginning of year	5,756,000	\$0.1712
Granted	—	—
Cancelled	—	—
Exercised	—	—
Expired	—	—
OUTSTANDING AND EXERCISABLE AT YEAR END	5,756,000	\$0.1712

The weighted average remaining contractual life of these options as at 30 June 2019 is 352 days.

PERFORMANCE RIGHTS ISSUED AS SHARE BASED PAYMENTS	Number of Rights	Weighted Average Hurdle Price
Outstanding at beginning of year	—	—
Granted	4,350,000	\$0.35
Cancelled	—	—
Exercised	(2,500,000)	\$0.35
Expired	—	—
OUTSTANDING AND EXERCISABLE AT YEAR END	1,850,000	\$0.35

The weighted average remaining contractual life of these performance rights as at 30 June 2019 is 1,620 days.

On 4 July 2018, the Company issued 500,000 free ordinary shares pursuant to the Company's Employee Share Plan.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together “EF Performance Rights”). Prior to the commencement of the year ended 30 June 2019, 4,600,000 Class E Performance Rights and 6,900,000 Class E Performance Rights had been issued, resulting in a total of 6,600,000 Class E Performance Rights and 9,900,000 Class F Performance Rights on issue at 30 June 2019. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. Sea NG Corporation has changed its name to GEV Canada Corporation.

As announced on 14 January 2019, the American Bureau of Shipping has issued its formal approval for construction of the CNG 200 Optimum ship. Consequently, all Class D Performance Rights on issue vested and were automatically exercised. The Company therefore issued 2,500,000 ordinary shares pursuant to the exercise of 2,500,000 Class D Performance Rights on 13 February 2019. The Class D Performance Rights were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, on vesting the value of the Class D Performance rights were recognised for accounting purposes based on market price at \$0.15 each.

The formal approval for construction of the CNG 200 Optimum ship the American Bureau of Shipping also provided greater certainty of the non-market vesting conditions of the 1,850,000 Class A Performance Shares. The Class A Performance Shares were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, the value of the Class A Performance Shares were recognised for accounting purposes based on market price at \$0.15 each.

On 7 May 2019, the Company issued 2,000,000 ordinary shares, as remuneration to directors.

During the year ended 30 June 2018, the Company issued 24,100,051 ordinary shares valued at \$4,097,008 and 15,850,000 performance shares as share based payments as part consideration for the acquisition of Sea NG Corporation. These Performance Shares were not valued or recognised for accounting purposes during the year ended 30 June 2018. The value of the Class A Performance Shares was recognised for accounting purposes during the year ended 30 June 2019. The Classes B to E 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. Subsequent to the issue of these Performance Shares, Sea NG Corporation changed its name to GEV Canada Corporation. In addition, the Company issued a further 1,600,000 ordinary shares as share based payments, valued at \$570,000.

The cost of all share based payments, including shares, options and performance rights, for the year ended 30 June 2019 was \$1,174,800 (2018: \$4,667,009).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17. SEGMENT INFORMATION

The Group does not have operating segments.

NOTE 18. CONTROLLED ENTITIES

	% Owned		Book value of shares held		Contribution to consolidated profit/(loss)	
			2019	2018	2019	2018
	2019	2018	\$	\$	\$	\$
<i>Parent Entity</i>						
Global Energy Ventures Ltd					(5,272,353)	(5,018,494)
<i>Entities controlled by Global Energy Ventures Ltd</i>						
GEV Canada Corporation	100%	100%	5,846,059	5,846,059	(760,769)	(194,244)
GEV USA Inc	100%	100%	10	10	(519,412)	(550,666)
TTE Royalties LLC	100%	100%	—	—	—	(8,773)
GEV International Pty Ltd	100%	100%	—	—	—	—
Global Gas Ventures Pty Ltd	100%	100%	—	—	—	—
Global Shipping Ventures Pty Ltd	100%	100%	—	—	—	—
Global Infrastructure Ventures Pty Ltd	100%	100%	—	—	—	—
GEV Technologies Pty Ltd	100%	100%	—	—	—	—
<i>Entities controlled by GEV USA Inc</i>						
GEV USA LLC	100%	100%	—	—	—	—
TTE Petroleum LLC	Nil	100%	—	—	—	(192,245)
TTE Operating LLC	100%	100%	—	—	—	—
			5,846,069	5,846,069	(6,552,534)	(5,964,422)

GEV USA Inc, GEV USA LLC, TTE Operating LLC, and TTE Royalties LLC are registered in the State of Delaware in the United States of America. GEV Canada Corporation is incorporated pursuant to the provisions of the Business Corporations Act (Alberta) in Canada.

NOTE 19. SUPERANNUATION COMMITMENTS

The Company makes contributions to complying superannuation funds based on the requirements of the Australian Superannuation Guarantee Charge or such higher amount as has been agreed with individual employees. There is a legally enforceable obligation on the Company to contribute to the superannuation plan for those contributions that have been agreed with individual employees as part of their conditions of employment.

NOTE 20. CONTINGENT LIABILITIES

There are no significant contingent liabilities as at 30 June 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 21. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, convertible notes and loans to and from subsidiaries, which arise directly from its operations. The Group's policy is that no trading in financial instruments shall be undertaken. The main purpose of non-derivative financial instruments is to finance Group operations. Derivatives are not used by the Group and the Group does not speculate in the trading of derivative instruments.

TREASURY RISK MANAGEMENT

The Board considers the Group's financial risk exposure and treasury management strategies in the context of the Group's operations. The Board's overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

FINANCIAL RISK EXPOSURES AND MANAGEMENT

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk. The Board reviews each of these risks on an on-going basis.

INTEREST RATE RISK

The Company has a policy of minimising its exposure to interest payable on debt. The Group pays interest on loans and convertible notes. It has no other debt that requires the payment of interest.

FINANCIAL INSTRUMENTS	TERMS AND CONDITIONS AND INTEREST RATE RISK
--------------------------	---

Bank Deposits	Bank deposits are either held at call, subject to notice of withdrawal or subject to maturity after a specified period of time. All cash held is subject to floating interest rate risk.
Receivables	There are no specific terms and conditions that may affect the amount, timing and certainty of future cash flows as they are all managed on a case by case basis. These are non interest bearing and there is no exposure to interest rate risk.
Other Accounts Payable	There are no specific terms and conditions that may affect the amount, timing and certainty of future cash flows as they are all managed on a case by case basis. These are non interest bearing and there is no exposure to interest rate risk.

FOREIGN CURRENCY RISK

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency. The Group is also exposed to fluctuations in foreign currencies arising from deposits with banks denominated in foreign currencies. The Group does not seek to hedge this exposure.

The aggregate values of the Consolidated Entity's financial assets and financial liabilities denominated in Australian dollars, Canadian Dollars and US dollars are as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	DENOMINATED IN AUD\$ 2019 AUD\$	DENOMINATED IN CAD\$ OR USD\$ 2019 AUD\$	DENOMINATED IN AUD\$ 2018 AUD\$	DENOMINATED IN USD\$ 2018 AUD\$
<i>Financial Assets</i>				
Cash assets	2,249,313	179,058	3,097,955	2,282,133
Receivables	13,496	1,023	81,042	1,187
<i>Financial Liabilities</i>				
Payables and borrowings	129,964	4,420	731,409	11,667
Provisions	15,596	—	7,816	—

LIQUIDITY RISK

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are available through on-going business activity, the sale of assets, joint venture arrangements and capital raising.

CREDIT RISK

At 30 June 2019 and at 30 June 2018, no cash deposits were committed as collateral security for credit cards.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. There are no other material amounts of collateral held as security at 30 June 2019 or at 30 June 2018. Credit risk is managed on a Group basis and reviewed by the Board. It arises from exposures to customers as well as through deposits with financial institutions. The Board monitors credit risk by actively assessing the quality and liquidity of counter parties, consequently only banks are utilised for deposits and all potential customers are assessed for credit worthiness taking into account their size, market position and financial standing. The counterparties included in trade and other receivables at 30 June 2019 and at 30 June 2018 are not rated, however given the amount and nature of these financial instruments, the Board is satisfied that they represent a low credit risk for the Group. There are no significant concentrations of credit risk within the Group.

FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Consolidated Entity

2019	2018
\$	\$

TRADE AND SUNDRY PAYABLES ARE EXPECTED TO BE PAID AS FOLLOWS:

Less than 6 months	134,384	743,076
	<u>134,384</u>	<u>743,076</u>

FAIR VALUES

The aggregate net fair values of the Consolidated Entity's financial assets and financial liabilities, both recognised and unrecognised are as follows:

	CARRYING AMOUNT IN THE FINANCIAL STATEMENTS 2019 \$	AGGREGATE NET FAIR VALUE 2019 \$	CARRYING AMOUNT IN THE FINANCIAL STATEMENTS 2018 \$	AGGREGATE NET FAIR VALUE 2018 \$
<i>Financial Assets</i>				
Cash assets	2,428,371	2,428,371	5,380,088	5,380,088
Receivables	56,913	56,913	82,229	82,229
<i>Financial Liabilities</i>				
Payables and borrowings	134,384	134,384	743,076	743,076
Provisions	15,596	15,596	7,816	7,816

The following methods and assumptions are used to determine the net fair value of financial assets and liabilities:

Cash assets and financial assets are carried at amounts approximating fair value because of their short term nature to maturity. Receivables and payables are carried at amounts approximating fair value.

SENSITIVITY ANALYSIS

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk, oil price risk and foreign currency risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

INTEREST RATE SENSITIVITY ANALYSIS

At 30 June 2019, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Entity	
	2019	2018
	\$	\$
CHANGE IN PROFIT DUE TO:		
Increase in interest rate by 2%	63,945	82,653
Decrease in interest rate by 2%	(8,507)	(15,908)
CHANGE IN EQUITY DUE TO:		
Increase in interest rate by 2%	63,945	82,653
Decrease in interest rate by 2%	(8,507)	(15,908)

FOREIGN CURRENCY RISK SENSITIVITY ANALYSIS

At 30 June 2019, the effect on profit and equity as a result of changes in the foreign currency exchange rate, with all other variables remaining constant would be as follows:

	Consolidated Entity	
	2019	2018
	\$	\$
CHANGE IN PROFIT DUE TO:		
Improvement in AUD to USD and CAD\$ by 5%	1,557,309	1,536,688
Decline in AUD to USD and CAD\$ by 5%	(1,409,000)	(1,390,337)
CHANGE IN EQUITY DUE TO:		
Improvement in AUD to USD and CAD\$ by 5%	9,245	119,560
Decline in AUD to USD and CAD\$ by 5%	(8,365)	(108,174)

NOTE 22. RELATED PARTY TRANSACTIONS

The Company is not controlled by any other entity.

Moonlighting Ventures Pty Ltd as trustee for the Triglavcanin Investment Trust received benefits from the Company for services performed by Mr Garry Triglavcanin, while he was a director of the Company. The remuneration received by Moonlighting Ventures Pty Ltd for the services of Mr Garry Triglavcanin as a director of the Company is included in the remuneration of Mr Garry Triglavcanin in the Remuneration Report which is within the Directors' Report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Ohio Holdings Pty Ltd received benefits from the Company for services performed by Mr Paul Garner, while he was a director of the Company. The remuneration received by Ohio Holdings Pty Ltd for the services of Mr Paul Garner as a director of the Company is included in the remuneration of Mr Paul Garner in the Remuneration Report which is within the Directors' Report.

On 13 February 2019, 2,000,000 Class D Performance Rights held by directors vested as their performance conditions had been met. 1,000,000 Class D Performance Rights were held by Fletcher Maurice Brand, 750,000 Class D Performance Rights were held by Garry John Frank Triglavcanin and 250,000 Class D Performance Rights were held by Paul Garner. Consequently, on 13 February 2019 2,000,000 ordinary shares were issued pursuant to the vesting of the Class D Performance Rights. The Class D Performance Rights were originally issued on 7 December 2017, but had not previously been valued or recognised for accounting purposes due to uncertainty of fulfillment of the non-market vesting conditions. Consequently, on vesting the value of the Class D Performance rights were recognised for accounting purposes based on market price at \$0.15 each.

The Company issued 1,000,000 free ordinary shares valued at \$209,900 to Mr Jens Martin Jensen and 1,000,000 free ordinary shares valued at \$209,900 to Mr Martin Carolan on 7 May 2019. The shares were valued at \$0.2099 per share based on market price at issue. The issue of these shares was approved at the general meeting of shareholders held on 29 April 2019.

On 7 May 2019, GEV issued 2,000,000 Class E Performance Rights and 3,000,000 Class F Performance Rights (together "EF Performance Rights") to Mr Martin Carolan. All EF Performance Rights remained on issue at the end of the year. All EF Performance Rights expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. The issue of the EF Performance Rights was approved at the general meeting of shareholders held on 29 April 2019. No EF Performance Rights were exercised or cancelled during the period. None of the EF Performance Rights had their vesting conditions met during the period. These EF 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. Sea NG Corporation has changed its name to GEV Canada Corporation.

At 30 June 2019, directors and their related entities held directly, indirectly or beneficially 61,076,505 ordinary shares in the Company, 7,656,737 options over ordinary shares in the Company and 15,000,000 performance rights over ordinary shares in the Company.

At 30 June 2018, directors and their related entities held directly, indirectly or beneficially 47,540,036 ordinary shares in the Company, 4,579,063 options over ordinary shares in the Company and 12,000,000 performance rights over ordinary shares in the Company.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 23. DIVIDENDS

No dividends have been paid or proposed during the year.

NOTE 24. EVENTS SUBSEQUENT TO BALANCE DATE

On 3 July 2019, the Company announced the execution of 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 contract, employing GEV’s CNG Optimum design.

On 4 July 2019, the Company announced the appointment of GAIA Importação e Exportação Ltd (“GAIA”) as our Brazilian Country Associate. Brazil represents an ideal target for a marine CNG project given it has significant offshore associated gas production in close proximity to a well-priced gas market. The Company has met with several offshore oil and gas producers and developers in the Santos and Campos Basins whom are seeking a solution to monetise associated gas. GEV and GAIA are jointly working together to identify, evaluate and develop these prospective marine CNG projects.

On 22 August 2019, the Company completed a capital raising of \$3,000,000 (before costs) by the issue of 20 million ordinary shares at \$0.15 each.

There have been no other conversions to, calls of or subscriptions for ordinary shares or issues of potential ordinary shares.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Independent Audit Report to the members of Global Energy Ventures Ltd**REPORT ON THE AUDIT OF THE FINANCIAL REPORT****OPINION**

We have audited the financial report of Global Energy Ventures Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Intellectual Property

Refer to accounting policy Note 1 (s) and Note 6 for the accounting policy and disclosures in relation to the Intellectual Property (\$6,214,830) as at 30 June 2019.

KEY AUDIT MATTER

Intellectual Property is a substantial figure in the financial statements of the Group. We considered it necessary to assess whether facts and circumstances existed to suggest if there is objective evidence that the Intellectual Property and associated patents could be impaired.

HOW OUR AUDIT ADDRESSED THE MATTER

Our audit work included, but was not restricted to, the following:

- We obtained management's impairment assessment based on Discounted Cash Flow (DCF) model.
- We reviewed key assumptions underpinning the model.
- We reviewed independent expert's report on Intellectual Property and associated patents.
- We ensured that the scope and objective of Gas Transport Solutions Pty Ltd work is agreed and suitable for the matter.
- We ensured that expert has the necessary competence, capabilities and objectivity.
- We ensured that expert's assumptions and data is relevant and generally acceptable.
- Corroborate management's expert report with other evidence obtained during the audit.

Impairment of Investment

Refer to accounting policy Note 1 (n) and Note 5 for the accounting policy and disclosures in relation to the Investment (\$ nil) as at 30 June 2019

KEY AUDIT MATTER

The Group has impaired its investment in Meridian Holding due to uncertainty over the recoverability of this investment in the current and immediately foreseeable European gas market.

As impairment entails key judgement and assumptions, we therefore reviewed management's assessment regarding Meridian's investment.

HOW OUR AUDIT ADDRESSED THE MATTER

Our audit work included, but was not restricted to, the following:

- We obtained management's impairment assessment and noted key assumptions.
- We ensured that impairment assessment has been carried out on the basis of increase in credit default risk in accordance with AASB 9 provisions.

KEY AUDIT MATTER

HOW OUR AUDIT ADDRESSED THE MATTER

- We reviewed the factors which led to increase in credit default risk and Corroborated with other evidence obtained during the audit.
- We ensured that amounts have been recorded and disclosed properly in the financial statements.

OTHER INFORMATION

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL REPORT

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 10 to 17 of the directors' report for the year ended 30 June 2019. The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of the Group for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Rafay Nabeel

Rafay Nabeel
Audit Director

2 September 2019



Auditor's Independence Declaration

To those charged with governance of Global Energy Ventures Ltd

As auditor for the audit of Global Energy Ventures Ltd for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Rafay Nabeel

Rafay Nabeel
Audit Director

2 September 2019

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

ANALYSIS OF HOLDINGS OF SHARES AND OPTIONS IN THE COMPANY

	Listed Ordinary Shares	Unlisted Options expiring 30 May 2020	Unlisted Options expiring 31 May 2020	Unlisted Options expiring 18 June 2020
1 — 1,000	221	0	0	0
1,001 — 5,000	421	0	0	0
5,001 — 10,000	181	0	0	0
10,001 — 100,000	564	5	0	0
100,001 — and over	334	14	36	1
Total number of holders	1,721	19	36	1

Holdings of less than a marketable parcel	506			
	Unlisted Options expiring 19 June 2020	Class E Performance Rights expiring 30 Nov 2022	Class F Performance Rights expiring 30 Nov 2022	Class A Performance Shares
1 — 1,000	0	0	0	0
1,001 — 5,000	0	0	0	0
5,001 — 10,000	0	0	0	0
10,001 — 100,000	0	0	0	0
100,001 — and over	2	6	6	3
Total number of holders	2	6	6	3

	Class B Performance Shares	Class C Performance Shares	Class D Performance Shares	Class E Performance Shares
1 — 1,000	0	0	0	0
1,001 — 5,000	0	0	0	0
5,001 — 10,000	0	0	0	0
10,001 — 100,000	0	0	0	0
100,001 — and over	3	3	3	1
Total number of holders	3	3	3	1

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

REGISTERED OFFICE OF THE COMPANY

Ground Floor
5 Ord St
West Perth
Western Australia 6005

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

Legal Entity Identifier (LEI): 2138003ILL8P2E7ZIF22

STOCK EXCHANGE LISTING

Quotation has been granted for all ordinary shares on the Australian Securities Exchange. The State Office of Australian Securities Exchange in Perth, Western Australia has been designated the Home Branch of Global Energy Ventures Ltd.

There are no current on-market buy-back arrangements for the Company.

SHARE REGISTRY

The registers of shares and options of the Company are maintained by:-

Computershare Registry Services Pty Ltd
Level 11
172 St Georges Terrace
Perth, Western Australia 6000

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

COMPANY SECRETARY

The name of the Company Secretary is Jack Hugh Toby.

TAXATION STATUS

Global Energy Ventures Ltd is taxed as a public company.

VOTING RIGHTS

For all ordinary shares, voting rights are one vote per member on a show of hands and one vote per share in a poll.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF ORDINARY SHARES

	Number of Shares	Percentage of Total
Merrill Lynch (Australia) Nominees Pty Limited	25,278,017	6.60%
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	16,500,000	4.31%
SPO Equities Pty Limited <March Street Equity A/C>	14,922,213	3.90%
Prospect Custodian Limited	14,731,592	3.85%
Citicorp Nominees Pty Limited	13,601,177	3.55%
Mr Robert Francis Davies + Mrs Yronne Elizabeth Davies <The Davies Minyama S/F A/C>	12,464,546	3.26%
National Nominees Limited	9,175,000	2.40%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	8,808,498	2.30%
HSBC Custody Nominees (Australia) Limited	8,708,490	2.27%
Mrs Cerina Leanne Triglavcanin	7,000,000	1.83%
J P Morgan Nominees Australia Pty Limited	5,729,826	1.50%
Ohio Enterprises Pty Ltd <Ohio Super Fund A/C>	5,700,000	1.49%
Enbridge Inc	5,546,580	1.45%
Copulos Superannuation Pty Ltd <Copulos Provident Fund A/C>	4,985,200	1.30%
Northgold Pty Ltd	4,800,000	1.25%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient Drp>	4,666,379	1.22%
Riveck Nominees Pty Ltd <Ruth Paneth S/F A/C>	4,425,000	1.16%
Mr Tal Paneth <Talpan Investment A/C>	3,880,000	1.01%
Mrs Ravikan Garner	3,675,000	0.96%
Mr Simon Peter Wardman <Unwin Investment A/C>	3,600,000	0.94%
	178,197,518	46.55%

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF OPTIONS EXPIRING ON 30 MAY 2020 EXERCISABLE AT \$0.10

	Number of Options	Percentage of Total
Marven Pty Ltd	1,100,000	18.01%
Worldwide Energy Co Ltd	800,000	13.10%
Full Circle Strategy Pty Ltd <Endless Powder S/Fund A/C>	628,898	10.29%
Northgold Pty Ltd <Northgold Super Fund A/C>	500,000	8.19%
Paul Nguyen & Claire Alexis Shelvey <JLCN Family A/C>	500,000	8.19%
Ravikan Garner <The Adagio Trust>	500,000	8.19%
Silvija Palmer	358,333	5.86%
Mrs Kathryn Valerie Van Der Zwan <Harleston Family A/C>	300,000	4.91%
Jirachaya Charnchayasuk	300,000	4.91%
Col Tongjai Charnchayasuk	250,000	4.09%
BlueKnight Corporation Pty Ltd	154,838	2.53%
Noraset Charnchayasuk	150,000	2.45%
Berne No 132 Nominees Pty Ltd	111,111	1.82%
Goldmine Pty Ltd <Goldmine Super Fund A/C>	107,526	1.76%
Jitrapat Charnchayasuk	100,000	1.64%
Rattanaorn Shepherd	100,000	1.64%
Scarlet Investments (WA) Pty Ltd	59,677	0.98%
Shaun Peter Callisto	50,000	0.82%
Alastair Michael Lagrange	37,634	0.62%
	6,108,017	100.00%

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF OPTIONS EXPIRING ON 31 MAY 2020 EXERCISABLE AT \$0.40

	Number of Options	Percentage of Total
Eyeon No 2 Pty Ltd	2,486,489	7.86%
Citywest Corp Pty Ltd <Copulos (Sunshine) Unit A/C>	2,486,489	7.86%
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	2,224,791	7.03%
SPO Equities Pty Limited <March Street Equity A/C>	2,188,110	6.92%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	2,115,443	6.69%
Prospect Custodian Ltd	1,989,191	6.29%
Cranport Pty Ltd	1,491,893	4.72%
Marven Pty Ltd	1,200,000	3.79%
Foster Stockbroking Pty Ltd <No 1 Account>	1,010,020	3.19%
Jackie Au Yeung	994,595	3.14%
North Gate Capital Pty Ltd <North Gate Capital A/C>	994,595	3.14%
Garry John Frank Triglavcanin	994,595	3.14%
Jirachaya Charnchayasuk	953,384	3.01%
Jodi Scott Pty Ltd	845,406	2.67%
Ravikan Garner	800,000	2.53%
Daltura Investments Pty Ltd	798,212	2.52%
Andrew Peterfreund	798,212	2.52%
Southam Investments 2003 Pty Ltd <Warwickshire Investment A/C>	795,676	2.52%
Claymore Ventures Limited	696,217	2.20%
Eric Dyer	646,487	2.04%
	26,509,805	83.78%

TWENTY LARGEST HOLDERS OF OPTIONS EXPIRING ON 18 JUNE 2020 EXERCISABLE AT \$0.14

	Number of Options	Percentage of Total
Foster Stockbroking Nominees Pty Ltd <No 1 Account>	2,000,000	100.00%
	2,000,000	100.00%

TWENTY LARGEST HOLDERS OF OPTIONS EXPIRING ON 19 JUNE 2020 EXERCISABLE AT \$0.21

	Number of Options	Percentage of Total
Foster Stockbroking Nominees Pty Ltd <No 1 Account>	2,666,667	88.89%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	333,333	11.11%
	3,000,000	100.00%

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF CLASS E PERFORMANCE RIGHTS EXPIRING 30 NOVEMBER 2022

	Number of Rights	Percentage of Total
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	2,000,000	30.30%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	2,000,000	30.30%
Mr Garry John Frank Triglavcanin	1,500,000	22.72%
Ohio Holdings Pty Ltd	500,000	7.58%
Mr David M Bradley	300,000	4.55%
Mr Norman Marshall	300,000	4.55%
	6,600,000	100.00%

TWENTY LARGEST HOLDERS OF CLASS F PERFORMANCE RIGHTS EXPIRING 30 NOVEMBER 2022

	Number of Rights	Percentage of Total
Sasigas Nominees Pty Ltd <Fletcher M Brand Family A/C>	3,000,000	30.30%
Marjack Holdings Pty Ltd <Carolan 2013 A/C>	3,000,000	30.30%
Mr Garry John Frank Triglavcanin	2,250,000	22.72%
Ohio Holdings Pty Ltd	750,000	7.58%
Mr David M Bradley	450,000	4.55%
Mr Norman Marshall	450,000	4.55%
	9,900,000	100.00%

Class E Performance Rights and Class F Performance Rights (together “EF Performance Rights”) expire on 30 November 2022 and on vesting, each Performance Right entitles the holder to one ordinary share in the Company. Class E 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\$0.45 at any time subsequent to the acquisition by GEV of Sea NG Corporation (now renamed GEV Canada Corporation) (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 EF Performance Rights not vested before their expiry date, will lapse. Sea NG Corporation has changed its name to GEV Canada Corporation.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF CLASS A PERFORMANCE SHARES

	Number of Shares	Percentage of Total
John Fitzpatrick	832,500	45.00%
David G Stenning	832,500	45.00%
James A Cran	185,000	10.00%
	1,850,000	100.00%

TWENTY LARGEST HOLDERS OF CLASS B PERFORMANCE SHARES

	Number of Shares	Percentage of Total
John Fitzpatrick	990,000	45.00%
David G Stenning	990,000	45.00%
James A Cran	220,000	10.00%
	2,200,000	100.00%

TWENTY LARGEST HOLDERS OF CLASS C PERFORMANCE SHARES

	Number of Shares	Percentage of Total
John Fitzpatrick	1,057,500	45.00%
David G Stenning	1,057,500	45.00%
James A Cran	235,000	10.00%
	2,350,000	100.00%

TWENTY LARGEST HOLDERS OF CLASS D PERFORMANCE SHARES

	Number of Shares	Percentage of Total
John Fitzpatrick	2,812,500	45.00%
David G Stenning	2,812,500	45.00%
James A Cran	625,000	10.00%
	6,250,000	100.00%

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TWENTY LARGEST HOLDERS OF CLASS E PERFORMANCE SHARES

	Number of Shares	Percentage of Total
James A Cran	3,200,000	100.00%
	3,200,000	100.00%

Class A Performance Shares, Class B Performance Shares, Class C Performance Shares, Class D Performance Shares and Class E Performance Shares (together "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 Sea NG Corporation 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. Subsequent to the issue of these Performance Shares, Sea NG Corporation changed its name to GEV Canada Corporation.

SUBSTANTIAL SHAREHOLDERS

Date Announced	Name	Number of Shares
01-Jul-19	Fletcher Maurice Brand and Dr Carolyn Kaye Brand and Sasigas Nominees Pty Ltd as trustee for the Fletcher M Brand Family Trust and Fletch Pty Ltd as trustee for the Brand Super Fund and Brand Family Foundation Pty Ltd as trustee for the Brand Family Foundation	22,250,000
15-Feb-19	Regal Funds Management Pty Limited	25,001,524

PRINCIPLES OF GOOD CORPORATE GOVERNANCE AND RECOMMENDATIONS
INTRODUCTION

The directors are focussed on fulfilling their responsibilities individually, and as a Board, for the benefit of all the Company's stakeholders. That involves recognition of, and a need to adopt, principles of good corporate governance. The Board supports the guidelines on the "Principles of Good Corporate Governance and Recommendations – 3rd Edition" established by the ASX Corporate Governance Council.

Given the size and structure of the Company, the nature of its business activities, the stage of its development and the cost of strict and detailed compliance with all of the recommendations, it has adopted a range of modified systems, procedures and practices which it considers will enable it to meet the principles of good corporate governance.

The Company's practices are mainly consistent with those of the guidelines and where they do not correlate with the recommendations in the guidelines the Company considers that its adopted practices are appropriate to it. At the end of this statement a table is included detailing the recommendations with which the Company does not strictly comply.

The following section addresses the Company's practices in complying with the principles.

BOARD CHARTER

The Board has adopted the following Board Charter:

The business of the Company is managed under the direction of the Board of Directors. The Board is accountable to shareholders of the Company for the performance of the Company.

Each Director of the Company will act in good faith in the best interests of the Company and collectively oversee and appraise the strategies, major policies, processes and performance of the company using care and diligence to ensure that Company's long term sustainability is assured.

Directors will not misuse their position on the Board to advance personal interests nor to represent particular constituencies. Directors will not use information available to them as Board members to advance personal interests or agendas.

Directors are required to inform the Board of any conflicts or potential conflicts of interest they may have in relation to particular items of business. Directors must absent themselves from discussion or decisions on those matters.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

The Company's Constitution and Australian corporations law specifies the minimum and maximum number of directors of the Company.

The Directors must elect one of their number as Chairman.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Role and Responsibilities of the Board

The Company has established the functions reserved to the Board. The Board has primary responsibility to shareholders for the sustainability and relevance of the Company by guiding and monitoring its business and affairs. The Board is responsible for:

- providing leadership and setting the strategic objectives;
- appointing a Chairman;
- overseeing the Company, including its control and accountability systems;
- appointing and removing the chief executive officer, managing director, or equivalent;
- ratifying the appointment and the removal of senior executives;
- providing input into and final approval of management's development of corporate strategy;
- reviewing, ratifying and monitoring risk management, internal control, codes of conduct and legal compliance;
- monitoring senior executives performance and implementation of strategy;
- ensuring appropriate resources are available to senior executives;
- approving and monitoring the progress of major capital expenditure, capital management, acquisitions and divestitures; and
- approving and monitoring financial and other reporting.

Role and Responsibilities of Senior Executives

The Company has established the functions reserved to senior executives. Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be senior executives. The functions delegated to senior executives are:

- managing and administer the day-to-day operations of the Company;
- making recommendations to the Board on corporate strategy, risk management, internal control, codes of conduct and legal compliance;
- supervising other staff and represent them to the Board; and
- exercising such specific and express powers as are delegated to them by the Board from time to time.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

Background checks on persons proposed for election as a director

The Board undertakes appropriate background checks of biographical details, qualifications, experience and details of other material directorships currently held for persons proposed for election as a director. Material information in the Company's possession on the background of proposed directors is included in the relevant notice of shareholder meeting.

Written agreement with each director and senior executive

The Board determines those circumstances where a written agreement with a director or senior executive is warranted. At present written agreements have not been executed with all directors and senior executives as the Board considers that the roles and responsibilities of all board members and senior executives are clearly defined and understood without a written agreement.

Company Secretary

The Company Secretary is accountable directly to the Board through the Chairman on all matters to do with the proper functioning of the Board. Each director is able to communicate directly with the Company Secretary and vice versa. Any decision to appoint or remove a Company Secretary is made by the Board.

Gender Diversity

The Group does not discriminate on the basis of gender and has no measurable objectives for achieving gender diversity.

There are no women on the Board. There is one woman in senior executive positions in the Group. The proportion of women employees in the whole organisation is 25%.

Evaluation of the performance of Directors and Senior Executives

A formal evaluation of the performance of directors and senior executives was not carried out in the financial year as the Board monitors the performance of directors and senior executives on an on-going basis and conducts an evaluation of the performance of directors and senior executives as and when the Board considers appropriate. The performance of the Chairman of the Board is assessed on an on-going basis by the Board as a whole.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE*Composition of the Board*

The names of the directors of the Company and their skills, comprising their qualifications and experience are set out in the section headed Directors' Report in the Annual Report for the year ended 30 June 2019.

The mix of skills and diversity for which the Board of directors is looking to achieve in membership of the Board is that required so as to provide the Company with a broad base of industry, business, technical, administrative, financial and corporate skills and experience considered necessary to represent shareholders and fulfil the business objectives of the Company.

The recommendations are that a majority of the directors and in particular the chairperson should be independent. An independent director is one who:

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

- is not a substantial shareholder of the Company or an officer or otherwise associated directly or indirectly with a substantial shareholder of the Company;
- has not within the last 3 years been employed in an executive capacity by the Company or another Group member or been a director after ceasing to hold such employment;
- has not within the last 3 years been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with such a service provided;
- is not a material supplier or customer of the Company or another Group member, or an officer of, or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or any other Group member other than as a director of the Company;
- has no close family ties with any person who contravenes any of the categories above; and
- is free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Company.

Mr Jens Martin Jensen was an independent director from the date of his appointment until his resignation. Mr Thomas Soderberg has been an independent director from the date of his appointment. None of the other Board members met these criteria. Consequently, the Board does not have a majority of independent directors. Mr Fletcher Maurice Brand is the chairman of the Board. The Chairman is not an independent director.

Mr Fletcher Maurice Brand was appointed a director on 24 November 2016, Mr Garry Triglavcanin was appointed a director on 24 November 2016, Mr Paul Garner was appointed a director on 19 July 2011, Mr Jens Martin Jensen was appointed a director on 1 February 2018 and resigned on 30 August 2019, Mr Martin Carolan was appointed a director on 2 April 2019 and Mr Thomas Soderberg was appointed a director on 1 September 2019.

Mr Fletcher Maurice Brand is the Chief Executive Officer of the Company.

The Board has agreed on the following guidelines for assessing the materiality of matters:

Balance sheet items are material if they have a value of more than 7% of pro-forma net assets. Profit and loss items are material if they will have an impact on the current year operating result of 7% or more. Items are also material if they impact on the reputation of the Company, involve a breach of legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 10% or more on balance sheet or profit and loss items, or will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 10%.

Nomination of Other Board Members

The Board has adopted the following Policy and Procedure for the Selection and (Re) Appointment of Directors.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

In determining candidates for the Board, the Board follows a prescribed process whereby it evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Board considers the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if appropriate, are offered appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next annual general meeting.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. An election of directors is held each year. Each director must not hold office (without re-election) past the third annual general meeting of the Company following the director's appointment or three years following that director's last election or appointment (whichever is the longer). However, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one director or one third of the total number of directors must resign. A director who retires at an annual general meeting is eligible for re-election at that meeting. Re-appointment of directors is not automatic.

Membership of the Board of directors, including whether the skills, knowledge and familiarity with the Company and its operating environment of each director is sufficient to fulfil their role on the board effectively, is reviewed on an on-going basis by the Chairman of the Board to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's businesses and its objectives. The Board does not believe that at this point in the Company's development it is necessary to appoint additional directors. Consequently, the Board has not established a nomination committee. The Board has not adopted a Nomination Committee Charter.

Independent Advice

Each of the directors is entitled to seek independent advice at the Company's expense to assist them to carry out their responsibilities however prior approval of the Chairman is required which is not unreasonably withheld.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

The Company has established a code of conduct as to the:

- Practices necessary to maintain confidence in the Company's integrity;
- Practices necessary to take into account their legal obligations and the expectations of their stakeholders;
- Responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The terms of the code of conduct are:

Directors, officers, employees and consultants to the Company are required to observe high standards of behaviour and business ethics in conducting business on behalf of the Company and they are required to maintain a reputation of integrity on the part of both the Company and themselves. The Company does not contract with or otherwise engage any person or party where it considers integrity may be compromised.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

Directors are required to disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the director or the interests of any other party in so far as it affects the activities of the Company and to act in accordance with the Corporations Act if conflict cannot be removed or if it persists. That involves taking no part in the decision making process or discussions where that conflict does arise.

Each director and senior executive is required to advise the Chairman of the Board of any reports of unethical practices by any director, executive or employee of the Company. The Chairman of the Board will investigate the matter and report back to the Board as a whole.

Directors are required to make disclosure of any trading in securities of the Company.

The Company has a policy for trading in the securities of the Company. The policy is:

POLICY FOR TRADING IN THE SECURITIES OF THE COMPANY

DEFINITIONS

Insider Trading:

‘Insider trading’ includes the trading of securities or some wider set of financial products (including derivatives and financial products able to be traded on a financial market) while in possession of information that is not generally available and would be likely to have a material effect on their price or value if it were generally available. The prohibition against insider trading extends to applying for, acquiring or disposing of, or entering into an agreement to apply for, acquire or dispose of relevant financial products, or procuring another person to so trade, or communicating that information where trading in the relevant financial products is likely to take place.

The insider trading provisions are found in Part 7.10, Division 3 of the *Corporations Act 2001* (“Corporations Act”). Section 677 of the Corporations Act defines material effect on price or value. A reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned securities.

Company Securities:

Company Securities means shares, options or performance rights over those shares and other securities convertible into shares, and any financial products of the Company traded on ASX.

Closed Periods:

Closed Periods means the following periods of time:

- a) From 7 January of each year until the next announcement to the ASX of financial results either in the form of a cashflow report or in the form of profit results; and
- b) From 7 July of each year until the next announcement to the ASX of financial results either in the form of a cashflow report or in the form of profit results; and

Key Management Personnel:

Key Management Personnel are defined in the ASX Listing Rules.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

Declaration:

A declaration may be validly issued in either written or electronic form. Electronic declarations may take the form of an email, fax or any other electronic recordable communication.

Excluded Trading:

Excluded trading means trading consistent with any of the following categories:

Transfers of Company's Securities already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;

An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;

Where a restricted person is a trustee, trading in the Company's Securities of the entity by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a closed period is taken by the other trustees or by the investment managers independently of the restricted person;

Undertakings to accept, or the acceptance of, a takeover offer;

Trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

A disposal of the Company's Securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement, provided that the restricted person obtained the consent of the Chairman or Chief Executive Officer of the Company to enter into agreements that provide lenders with rights over their interests in the entity's securities;

Acquisition of the Company's Securities through an issue of securities by the Company;

The exercise (but not the sale of securities following exercise) of an option or a right, or the conversion of a convertible security; or

Trading under a non-discretionary trading plan for which prior clearance by the Chairman or Chief Executive Officer of the Company has been provided and where:

- a) the restricted person did not enter into the plan or amend the plan during a closed period;
- b) the trading plan does not permit the restricted person to exercise any influence or discretion over how, when, or whether to trade; and
- c) there was no cancellation of the trading plan during a closed period other than in exceptional circumstances.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

Trading in Exceptional Circumstances:

Trading in Exceptional Circumstances means trading consistent with any of the following categories:

Trading in accordance with a declaration by the Chairman or Chief Executive Officer of permitted trading. In exceptional circumstances, a member of the Key Management Personnel may apply, together with a description of the circumstances, to the Chairman or Chief Executive Officer for a declaration to permit trading as Trading in Exceptional Circumstances which may be given in circumstances that the Chairman considers appropriate such as severe financial hardship, or a person is required by a court order, or there are court enforceable undertakings or there is some other legal or regulatory requirement to do so. The declaration will specify the duration of permitted trading.

TRADING RESTRICTIONS

All Key Management Personnel and all employees of the Company are required to comply with the prohibition against Insider Trading at all times with respect to the Company's Securities. Contravention of the insider trading prohibition may result in significant penalties.

With the introduction of the continuous disclosure regime, public listed companies and other disclosing entities are now required to disclose Price Sensitive Information on an on-going basis (subject to limited exceptions) so that at all times in the year the market can be fully informed and trading can be lawful. As a result the Company has decided not to specify safe periods but rather to designate periods when Trading by Key Management Personnel should not occur.

All Key Management Personnel are required to refrain from trading in the Company's Securities on the ASX during a Closed Period except for Excluded Trading or Trading in Exceptional Circumstances.

All directors of the Company are required to comply with the Corporations Act and the ASX Listing Rules with regard to disclosure of their interests in the Company's Securities on their appointment as a director, on any change in their interests in the Company's Securities and on resignation as a director.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

No audit committee has been established. The Board has not adopted an Audit Committee Charter. Executive directors play an active role in monitoring the daily affairs of the Company. As a result of the scale of operations it has not been considered necessary to form sub-committees.

Each Board member has access to the external auditors and the auditor has access to each Board member.

In the event of the resignation of external auditors, the Board will appoint a new external auditor which is subsequently ratified by shareholders in General Meeting. In all other cases an external auditor is nominated by a shareholder of the Company and is appointed by shareholders in General Meeting. An external auditor can be removed by shareholders in General Meeting. The Board does not have a policy for the rotation of external audit engagement partners.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

Before the Board approves the Company's financial statements for a financial period, the Chief Executive Officer and the Chief Finance Officer each declare that the financial records of the Company for the financial year have been properly maintained, the financial statements and notes for the financial year comply with the appropriate accounting standards, give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The external auditor of the Company attends each Annual General Meeting of shareholders.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

The Company has established a policy to ensure compliance with ASX Listing Rule disclosure and accountability at senior executive level for that compliance. The terms of the policy are:

All directors, executives and staff are required to abide by all legal requirements, the Listing Rules of the Australian Stock Exchange and the highest standards of ethical conduct. This includes compliance with the continuous disclosure requirements of the listing rules.

The Company Secretary is the person responsible for overseeing and co-ordinating disclosure of information to ASX as well as communicating with the ASX.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

The Company has a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at its Annual General Meetings. The terms of the communications policy are:

The Board seeks to inform security holders of all major developments affecting the Company by:

- preparing half yearly and yearly financial reports and announcing these reports to the ASX;
- preparing quarterly reports in accordance with the listing rules and announcing these reports to the ASX;
- making announcement in accordance with the listing rules and the continuous disclosure obligations;
- maintaining the Company's website and hosting all of the above on the Company's website;
- annually, and more regularly if required, holding a general meeting of shareholders and forwarding to them the notice of meeting and proxy form; and
- voluntarily releasing other information which it believes is in the interest of shareholders.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

The Company's investor relations program is based on actively engaging with security holders at the Annual General Meeting, meeting with them upon request and responding to security holder enquiries from time to time. The Annual General Meeting enables shareholders to receive the reports and participate in the meeting by attendance or by written communication. The Board seeks to notify all shareholders so they can be fully informed annually for the voting on the appointment of directors and so as to enable them to have discussion at the Annual General Meeting with the directors and/or the auditor of the Company who is invited to the Annual General Meeting. The Annual General Meeting is held each year at a convenient time and place and all security holders are encouraged to attend and participate.

The Company's website provides facilities for security holders to subscribe to email updates and thereby receive communications from the Company by email.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

The Board is conscious of the need to continually maintain systems of risk management and controls to manage all of the assets and affairs of the Company. The Company has established a policy for the oversight of material business risks and the management of material business risks. Risk management is a process of continuous improvement that is integrated into existing practices or business processes. The terms of these risk management policies are:

- liaise with internal and external stakeholders as appropriate at each stage of the risk management process and concerning the process as a whole;
- define the basic parameters within which risks must be managed and set the scope for the rest of the risk management process;
- identify the risks to be managed;
- identify and evaluate existing controls. Determine consequences and likelihood and hence the level of risk. This analysis should consider the range of potential consequences and how these could occur;
- compare estimated levels of risk against pre-established criteria and consider the balance between potential benefits and adverse outcomes. This enables decisions to be made about the extent and nature of treatments required and about priorities;
- develop and implement specific cost-effective strategies and action plans for increasing potential benefits and reducing potential costs. Allocate responsibilities to those best placed to address the risk and agree on target date for action;
- the Chairman and Chief Executive Officer are responsible for the implementation and maintenance of sound risk management. In carrying out this responsibility, senior managers review the adequacy of internal controls to ensure that they are operating effectively and are appropriate for achieving corporate goals and objectives;
- the Board is responsible for oversight and for providing corporate assurance on the adequacy of risk management procedures; and
- managers at all levels are to create an environment where managing risk forms the basis of all activities.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

The risk management includes asset risk, operational risk, personnel health and safety risk, currency fluctuation risk, amongst others. The Company identifies and manages those risks on a case by case and overall corporate basis.

The Company does not have an internal audit function. The Board has required management to design and implement a risk management and internal control system to manage the Company's material business risks and has required management to report to it on whether those risks are being managed effectively. The Chief Executive has reported to the board as to effectiveness of the Company's management of its material business risks.

A formal risk management evaluation was not carried out in the financial year as the Board monitors risk on an on-going basis.

The Company has regulatory responsibility for the environmental consequences of its activities. The Company engages qualified employees or consultants to manage its environmental responsibilities and complies with these obligations.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

There is no formal remuneration committee. The Board has not adopted a Remuneration Committee Charter. The functions that would have been carried out by a remuneration committee are performed as follows:

- The remuneration of executive directors is determined by the Board as a whole. The remuneration of non-director senior executives is determined by the managing director or chief executive officer.
- A maximum amount of remuneration for non-executive directors is fixed by shareholders in general meeting and can be varied in that same manner. The Board as a whole determines the remuneration of each non-executive director. In determining the allocation of remuneration to each non-executive director, the Board takes account of the time demands made on the directors together with such factors as fees paid to other corporate directors and to the responsibilities undertaken by them.
- When the Board as a whole considers the remuneration of a particular director, that director will take no part in the decision making process or discussions.
- Each member of the Board has committed to spending sufficient time to enable them to carry out their duties as a director of the Company. One third of the directors retires annually in accordance with the Constitution and is free to seek re-election by shareholders.

There are no schemes for retirement benefits other than contributions to external superannuation funds. There is no policy on prohibiting transactions in associated products which limit the economic risk to directors and executives of participating in unvested entitlements under an equity based remuneration scheme, other than the Company's policy for trading in the securities of the Company. The Company has from time to time issued securities of the Company and performance rights to executives and directors. Securities issued to directors are pursuant to the approval of the Company's shareholders in general meeting. The Company has an employee share plan in place which was approved by the Company's shareholders in general meeting. The Company does not currently have any other unvested equity based remuneration scheme.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

TABLE OF DEPARTURES AND EXPLANATIONS (FROM THE RECOMMENDATIONS OF THE ASX CORPORATE GOVERNANCE COUNCIL)

"Recommendation" Ref (“Principle No” Ref followed by Recommendation Ref)	Departure	Explanation
1.3	Written agreements have not been executed with all directors and senior executives.	Given the nature and size of the Company, its business interests and the stage of development, the Board is of the view that the roles and responsibilities of all directors and senior executives are clearly defined and understood and that written agreements for all directors and senior executives are not warranted as yet.
1.5	No formal diversity policy has been established.	The Company does not discriminate on the basis of gender. While gender imbalances may occur from time to time, all applicants for positions with the Group are assessed on their merits irrespective of their gender. Given the nature and size of the Company, its business interests and the stage of development, the Board is of the view that the current composition of the Board does not disadvantage the Company and a diversity policy is not necessary to provide a competitive advantage at this time.
1.6 and 1.7	No formal process for periodically evaluating the performance of Directors and Senior Executives.	There is no formal process for periodically evaluating the performance of Directors and Senior Executives as the Board monitors the performance of directors and senior executives on an on-going basis and conducts an evaluation of the performance of directors and senior executives as and when the Board considers appropriate.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

“Recommendation” Ref (“Principle No” Ref followed by Recommendation Ref)	Departure	Explanation
2.1	A Nomination Committee has not been formed.	The Board comprises four members each of who have valuable contributions to make in fulfilling the role of a nomination committee member. A director will excuse himself where there is a personal interest or conflict.
2.4 and 2.5	The Board does not have a majority of independent directors. The Chairman is not an independent director.	Given the nature and size of the Company, its business interests and the stage of development, the Board is of the view that active director oversight with executive involvement is required in multiple jurisdictions and disciplines, thereby limiting the number of directors who can be independent. Given the nature and depth of their experience, each of the directors are aware of and capable of acting in an independent manner and in the best interests of the shareholders.
2.6	The Company does not have a program for inducting new directors and does not provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Given the nature and size of the Company, its business interests and the stage of development, the Board is of the view that all directors already have sufficient skills, knowledge and familiarity with the Company and its operating environment to fulfil their role on the board and on board committees effectively. All directors are responsible for their own training and development.
4.1	No formal audit committee has been established or formal charter drawn.	Given the size and nature of the Company, its business interests and the ongoing level of involvement of all directors it is not considered necessary that a formal audit committee be established or a charter be drawn.

ADDITIONAL INFORMATION AS AT 23 AUGUST 2019

“Recommendation” Ref (“Principle No” Ref followed by Recommendation Ref)	Departure	Explanation
7.1	No formal risk management committee has been established or formal charter drawn.	Given the size and nature of the Company, its business interests and the ongoing level of involvement of all directors it is not considered necessary to establish a risk management committee or a charter be drawn.
7.2	No formal review of the Company’s risk management framework has been carried out.	Given the size and nature of the Company, its business interests and the ongoing level of involvement of all directors it is not considered necessary to conduct a formal review of the Company’s risk management framework as the Company’s risk profile is monitored by the Board on an on-going basis.
8.1	No formal remuneration committee has been established or formal charter drawn.	Given the size and nature of the Company, its business interests and the ongoing level of involvement of all directors it is not considered necessary to establish a remuneration committee or a charter be drawn.

