GLOBAL ENERGY VENTURES LTD APPENDIX 4E – PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

30 August 2019

DETAILS OF THE REPORTING PERIOD

This report details the consolidated results of Global Energy Ventures Ltd, ABN: 53 109 213 470 ("GEV" or "Company" or "Parent Entity") and its controlled entities ("Consolidated Entity" or "Group") for the year ended 30 June 2019. Comparatives are for the year ended 30 June 2018.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				2019	2018
				$'000	**$'000**
2.1	Revenue from ordinary activities	Down	100%	–	35
2.2	Profit/(Loss) from ordinary activities after tax attributable to members	Down	10%	(6,553)	(5,964)
2.3	Net profit/(loss) for the year attributable to members	Down	10%	(6,553)	(5,964)
				Cents	**Cents**
2.4	Net Tangible assets per security – at the end of the year			0.65	2.49

ANNUAL GENERAL MEETING DATE

The Global Energy Ventures Ltd Annual General Meeting will be held 10:30 am (WST) on Friday 22 November 2019.

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.

The Company does not have a dividend reinvestment plan.

DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE YEAR

The Group did not gain or lose control over any entities during the year.

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

The Group did not have any associates or joint venture entities during the year.

COMMENTARY ON THE RESULTS

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.

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

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.

The Company has not paid or proposed a dividend and there were no share buy-backs during the year.

Both the basic and the diluted loss per share for the year ended 30 June 2019 was 2.71 cents (2018: 2.09 cents)

AUDIT OF FINANCIAL STATEMENTS

This report is based on Accounts which are in the process of being audited.

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

		Consolidated Entity	
		2019	2018
	Note	$	$
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 $	Consolidated Entity 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

	CONSOLIDATED ENTITY					
ATTRIBUTABLE TO MEMBERS OF THE COMPANY	**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

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.

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.

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

- 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.

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.

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.

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, it's 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.

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:

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.

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.

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.

NOTE 2. REVENUE AND EXPENSES

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

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
REVENUE FROM CONTINUING OPERATIONS		
Operating activities		
Oil and gas sales	—	34,828
TOTAL REVENUE FROM OPERATING ACTIVITIES	—	34,828
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
TOTAL REVENUE FROM CONTINUING OPERATIONS	2,580,053	1,365,026
CHARGING AS EXPENSES		
Cost of sales		
Production costs	—	36,157
	—	36,157
Exploration expenses		
Exploration expenditure written off	—	232,471
Other exploration expenses	—	98,039
	—	330,510
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

	Consolidated Entity 2019 $	Consolidated Entity 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% (2017: 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

	2019	2018
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

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 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.

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.

NOTE 5. INVESTMENTS

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
Shares in other unlisted unrelated corporations, at cost	—	2,639,591
	—	2,639,591

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 or 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.

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
NOTE 6. INTELLECTUAL PROPERTY		
Intellectual property	6,214,830	6,214,830
	6,214,830	6,214,830

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

	2019 $	2018 $
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	—	—

Movements in the carrying amount of Lease acquisition costs for undeveloped properties

	2019 $	2018 $
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	—	—

	Consolidated Entity 2019 $	Consolidated Entity 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)

	2019 $	2018 $
Trade creditors	123,384	725,076
Sundry creditors and accrued expenses	11,000	18,000
	134,384	743,076

NOTE 9. ISSUED CAPITAL

	2019 $	2018 $
ORDINARY SHARES		
362,878,223 (2018: 325,878,224) fully paid ordinary shares	66,058,203	60,993,737
PERFORMANCE SHARES		
15,850,000 (2018: 15,850,000) performance shares	—	—
	66,058,203	60,993,737

	Date	Number of Shares	Consolidated Entity 2019 $	Consolidated Entity 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	—

	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

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

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

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.

NOTE 10. RESERVES

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
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)

MOVEMENTS IN OPTION PREMIUM RESERVE

	Date	Number of Securities	Consolidated Entity 2019 $	Consolidated Entity 2018 $
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

MOVEMENTS IN CURRENCY TRANSLATION RESERVE

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
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)

	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 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.

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.

NOTE 11. PARENT ENTITY

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

	Company 2019 $	Company 2018 $
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
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
NET ASSETS/(LIABILITIES)	38,889,787	41,084,765
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

	Company 2019 $	Company 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.

NOTE 12. CASH FLOW INFORMATION

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX		
Loss after tax	(6,552,534)	(5,964,422)
Cash flows in loss attributable to non-operating activities		
Exploration expenditure	—	98,039
Non-cash flows in loss		
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)
Changes in assets and liabilities		
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)

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

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

	2019	2018
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

NOTE 14. EXPENDITURE COMMITMENTS

	2019	2018
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

The property leases included above are non-cancellable leases with rent payable monthly in advance.

NOTE 15. KEY MANAGEMENT PERSONNEL

Remuneration of Key Management Personnel

	Consolidated Entity 2019 $	Consolidated Entity 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.

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.

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).

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	$	$	$	$
Parent Entity						
Global Energy Ventures Ltd					(5,272,353)	(5,018,494)
Entities controlled by Global Energy Ventures Ltd						
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%	—	—	—	—
Entities controlled by GEV USA Inc						
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.

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:

	Denominated in AUD$ 2019 AUD$	Denominated in CAD$ or USD$ 2019 AUD$	Denominated in AUD$ 2018 AUD$	Denominated in USD$ 2018 AUD$
Financial Assets				
Cash assets	2,249,313	179,058	3,097,955	2,282,133
Receivables	13,496	1,023	81,042	1,187
Financial Liabilities				
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.

	Consolidated Entity 2019 $	Consolidated Entity 2018 $
TRADE AND SUNDRY PAYABLES ARE EXPECTED TO BE PAID AS FOLLOWS:		
Less than 6 months	134,384	743,076
	134,384	743,076

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 $
Financial Assets				
Cash assets	2,428,371	2,428,371	5,380,088	5,380,088
Receivables	14,519	14,519	82,229	82,229
Financial Liabilities				
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.

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)