



May 30, 2018

BY UNITED PARCEL SERVICE DELIVERY AND ELECTRONIC MAIL

StealthGas Inc.
331 Kifissias Avenue
Erithrea 14561
Athens, Greece
Attention: Michael G. Jolliffe, Chairman

Re: Reiterating Need for Change

Dear Mr. Jolliffe:

Global Value Investment Corp. (GVIC or the “Firm”) is a value-oriented investment research and advisory firm located in Mequon, Wisconsin. The Firm, on behalf of its clients, has maintained a long equity position in StealthGas Inc. (“GASS or the “Company”) since 2007. Employing a long-term, value-oriented investment discipline, GVIC is a patient investor willing to work with company management to improve operations with an expectation that its efforts will translate into superior shareholder returns.

On January 11, 2018, GVIC sent an open letter to the Board of Directors expressing concern about the Company’s management, capital deployment and communication to the market. Your written response, dated January 26, 2018, invited GVIC to “engage with us to constructively discuss your views.” GVIC did so in a letter dated February 16, 2018 (to which you replied via letter on March 1, 2018) and at an in-person meeting in New York City on March 12, 2018.

The Company’s continued disregard for shareholder concerns is both disappointing and irresponsible. GVIC’s specific recommendations are restated below and address clear weaknesses in the Company’s operations with reasonable proposals.

1. Immediately begin a search for a qualified CFO with public company experience, independent of the Vafias group of shipping companies.

You have defended the Company’s finance officer, Fenia Sakellaris, citing her qualifications and contributions as equivalent to those of CFOs of other listed shipping companies. In your January 26, 2018 letter, you further stated that Ms. Sakellaris is tasked with facilitating “the evaluation of potential CFO candidates,” and that she “has been under consideration for promotion to CFO in the future.” In your March 1, 2018 letter, you stated, “at the end of this year we will consider if she should be promoted to CFO. Otherwise we will consider other options.” GVIC expects the critical position of CFO to be filled in a much more expedient manner, and it is our expectation that candidates will both have strong financial credentials and be able to effectively represent the Company to shareholders. GVIC reiterates that GASS should immediately begin a search for a

qualified CFO with public company experience, independent of the Vafias group of shipping companies.

2. Immediately retain a US-based investor relations firm with experience representing NASDAQ-listed companies.

Your intention to retain a US-based investor relations firm per GVIC's request remains unfulfilled. In your January 26, 2018 letter, you stated, "there are a number of New York-based firms experienced with Nasdaq-listed companies and the shipping industry from which we intend to solicit proposals." In your March 1, 2018 letter, you stated, "We believe that your request regarding a U.S.-based IR firm is reasonable and firms are being considered for selection." GVIC has since referred a qualified, US-based investor relations firm to you, but the Company has remained silent on the matter. The remedial quality of the Company's May 24, 2018 investor presentation, lack of clear and concise communication on the Company's quarterly conference call and the obvious absence of quality sell-side analyst coverage only highlights the need for a complete reevaluation of the Company's investor-facing activities. GVIC reiterates that GASS should immediately retain a US-based investor relations firm with experience representing NASDAQ-listed companies.

3. Implement metrics to measure executive performance, and regularly communicate the management team's performance against these metrics to shareholders.

GVIC's request that metrics to evaluate executive performance be implemented has been ignored. Blaming the Company's poor performance on macroeconomic conditions and the lack of a suitable peer group for comparative purposes reflects corporate irresponsibility. You stated in your January 26, 2018 letter that "the Board believes our management team is doing an excellent job executing the right strategy to enhance shareholder value in what has been an exceedingly challenging environment for LPG shipping and our size segment in particular." However, the price of the Company's equity continues to underperform market indices and its peers by a significant margin. Recent financial results affirm investor disappointment. Executive performance metrics need to be conceived and communicated to the market on a regular basis in order that investors can benchmark those responsible for the oversight of invested capital. GVIC reiterates that GASS should implement metrics to measure executive performance, and regularly communicate the management team's performance against these metrics to shareholders.

4. Immediately initiate a cash dividend to provide a tangible return to shareholders. Begin with a small dividend that can be sustained and increased in the future, consistently returning a portion of excess cash.

Recent capital allocation has been relatively sensible compared to missteps of the past. However, the Company has not provided an explanation for how its growing cash balance will be deployed in a manner beneficial to shareholders. Management has not articulated a calculation for working capital needs, which GVIC believes to be well below the current cash balance. GVIC does not and will not support fleet expansion, believing such action would be misguided given that the Company's common stock trades at a steep discount to both book value and net asset value.

GVIC urges the company to deploy excess cash in a manner accretive to shareholders, whether through a dividend or aggressive stock buybacks.

Furthermore, GVIC believes GASS should rationalize its fleet by divesting non-core assets; specifically, the Company owns one very large crude carrier (VLCC) and three medium range (MR) product tankers. As a dominant operator in the niche liquified petroleum gas (LPG) short- and mid-range seaborne transportation market, these assets do not logically fit into the Company's portfolio. GVIC views these investments as ill-advised and believes the Company should sell them opportunistically in order to focus more intently on its core LPG operations.

During our March 12, 2018 meeting in New York City, you personally informed GVIC that the Board of Directors had commissioned a report on the competitiveness of its current technical and commercial management arrangements. Given the interrelatedness of the parties to these arrangements, GVIC questions the objectivity with which negotiations were carried out and further objects to the opaque nature of the Company's relationships with Stealth Maritime and Brave Maritime. While we were encouraged by your offer, you have yet to provide any report; we are left to conclude that the results of the study were not favorable.

GASS carries \$1.06 billion of assets on its balance sheet as of March 31, 2018. Other reputable shipping companies of comparable size provided technical and commercial management services in-house. Epic Gas Ltd., your closest competitor, provides technical and commercial management services internally. GVIC believes GASS should also internalize these services. Given the Company's close relationship with Stealth Maritime and Brave Maritime, which currently provide technical and commercial management services to the Company's vessels, GVIC believes a combination is sensible.

GVIC has committed capital to GASS for more than a decade. During our investment, the Company, its Board of Directors and the executive management team have systematically eroded shareholder value with questionable investment decisions stemming from what we believe is incredibly poor management and oversight. We hoped that our January 11, 2018 letter would encourage the Company to reconsider recommendations that we have made repeatedly to CEO Harry Vafias over the past ten years, but the ensuing dialogue proved fruitless.

The Company's inability to effectively and consistently capitalize on its \$1.06 billion in assets is deeply concerning. Both the current management team and the Board of Directors should be acutely aware of this failure. Consistently underwhelming operational and financial results cause GVIC to seriously question the competency and ability of the Company's long-serving management. We find it even more concerning that the Board of Directors has so clearly overlooked its responsibilities to shareholders by allowing these persistently disappointing results. We believe independent directors with meaningful equity ownership are better able to represent the interest of shareholders; regrettably, the Company's independent directors together own approximately 0.22% of the common stock outstanding.

GASS has built a cash balance that GVIC believes is well in excess of its working capital needs. Mr. Vafias suggested on the Company's May 24, 2018 conference call that management and the Board of Directors would reevaluate the Company's share buyback and dividend policy in

December 2018; this delay is unnecessary. The Company is run for the benefit of shareholders; excess cash should immediately be used to fund dividends or repurchase shares at the current depressed price. Further investment in vessels should not be undertaken until the Company's assets begin providing a material return on capital.

GVIC will continue to publicly express its concerns as long as the capital with which we have entrusted the Company remains invested. It is our strong and firm belief that a number of small but meaningful changes may alter the market's perception and outlook for the Company by improving communication and transparency. Since our January 11, 2018 letter, other large shareholders have expressed support for our recommendations.

In the absence of a tangible return to the Company's shareholders, GVIC stands ready to take whatever actions it may deem necessary to ensure that the best interests of all shareholders are served.

Jeffrey R. Geygan
President/CEO
Global Value Investment Corp.

Cc: Harry Vafias
Lambros Babilis
Markos Drako
John Kostoyannis