



Greenvale Energy Limited Quarterly Activities Report September 2015

ASX Release

28 October 2015

Greenvale Energy Limited (ASX: GRV), provides the following update on its activities for the September 2015 quarter ("the Quarter");

Highlights:

- Sale of Lowmead and Nagoorin tenements to QER progressing
- Convertible Notes redeemed, including reduction in number of options to the Noteholders
- Board continues to pursue new opportunities

Sale to Queensland Energy Resources

As previously announced the Company entered into a sale agreement with its Joint Venture partner Queensland Energy Resources (QER) for the sale of the Company's interests in the Lowmead and Nagoorin tenements for \$4 million in cash. A \$400,000 deposit has been received.

The Sale and Purchase Agreement was subject to certain conditions, including shareholder approval (which was obtained on 22 September 2015) and the transfer of the licences. To date, all of the conditions have been completed, with the exception of the transfer of the MDL 234, EPM 7721 and MDL 188 under the Mineral Resources Act 1989 (QLD). The transfer documentation has been lodged with the relevant State Government department for processing and the Company has been advised that the processing has commenced. However, no definitive processing timelines have been provided by the department at this stage. As a consequence of the above, GRV and QER agreed to extend the sunset date for the transaction by one month from 14 October 2015 to 14 November 2015, so as to allow additional time for the processing to be completed.

The Directors remain committed towards achieving completion as soon as possible and further details will be provided as and when they become available.

Repayment of Convertible Notes

GRV has completed the redemption of 100% of the Convertible Notes from the holders of those Notes. The consideration paid for each Convertible Note that has been redeemed was:

- a cash payment equivalent to \$7,416 for each Convertible Note whereby each existing Convertible Note has a face value excluding interest of \$9,282; and
- the grant of 100,000 free attaching options with an exercise price of \$0.08 per option, expiring on the 31 August 2018 ("Options").

UK OFFICE

T +44 208 213 5856 | A 28 Bolton Street, London, United Kingdom, W1J 8BP

REGISTERED OFFICE

T +61 8 9389 3120 | A Suite 25, 145 Stirling Hwy, Nedlands, WA, Australia 6009 | P PO Box 3122, Nedlands, WA, Australia, 6009 | E admin@greenvaleenergy.com.au

There were 31 Convertible Notes on issue with a face value of \$287,742. Accordingly, the final repayment of \$229,902 represented an amount that is equivalent to approximately 80% of the face value of the Convertible Notes and GRV has issued 3,100,000 Options.

The source of funding for the redemption of the Convertible Notes was via loans from director related entities and it is intended that these loans will be repaid upon the receipt of the sale proceeds from QER. As a result of the previously approved conversion rights associated with the Convertible Notes being the lesser of \$0.10 or 85% volume average weighted price to convert by no later than 31 August 2016 plus 100,000 free attaching options with an exercise price of \$0.10 with an expiry date of 31 August 2018 have been extinguished. This had the potential of being highly dilutive to the Company.

Strategic Direction

The Board and Management of the Company are in the process of assessing the future direction of GRV. This assessment includes:

- the strategic options for the development of the Alpha Deposit MDL330, as well as the new acreage which has been granted at Madre North, and which has been applied for at Madre South; and
- acquisition of a suitable asset either mining exploration related or potentially in other areas such as technology.

The Board continues to remain of the view that at this stage, a return of capital would not be meaningful to shareholders and that the funds could be better deployed for reinvestment.

Further details will be made available as and when they arise.

For further information, please contact:

Stephen Baird
Executive Director
Ph: +44 7917766980
E: stephen.baird@hicog.com

Winton Willesee
Company Secretary
Ph: +61 8 9389 3120
E: winton@azc.com.au

Appendix A – Tenement Schedule

Tenement	Interest
Lowmead (MDL 188)	50%
Nagoorin (MDL 234) and (EPM 7721)	67%
Alpha (MDL 330)	99.99%
Madre North (EPM25796) Application.	100%
Madre South (EPM 25792)	100%