



GREENVALE ENERGY LIMITED

A.B.N. 54 000 743 555

2017

ANNUAL REPORT

TABLE OF CONTENTS

Corporate Directory	2
Chairman's Letter	3
Review of Operations	4
Governance Statement	11
Directors' Report	24
Auditor's Independence Declaration	33
Consolidated Statement of Comprehensive Income	34
Consolidated Statement of Financial Position	35
Consolidated Statement of Changes in Equity	36
Consolidated Statement of Cash Flows	37
Notes to the Consolidated Financial Statements	38
Directors' Declaration	56
Independent Auditor's Report	57
Tenement schedule	60
Additional Statutory Information	61

DIRECTORS

Elias (Leo) Khouri (Chairman)

Justin Dibb (Non-Executive Director)

Phillip Shamieh (Non-Executive Director)

Michael Povey (Non-Executive Director)

Vince Fayad (Executive Director)

COMPANY SECRETARY

Vince Fayad

REGISTERED OFFICE

Suite 6, Level 5, 189 Kent Street

Sydney, NSW, 2000

Ph: +61 (2) 8046 2799

SHARE REGISTRY

Link Market Services

Level 12, 680 George Street

Sydney NSW 2000

Ph: +61 (2) 8280 7111

Fax: +61 (2) 9287 0303

AUDITORS

RSM Australia Partners

Level 13, 60 Castlereagh Street

Sydney NSW 2000

STOCK EXCHANGE

Australian Securities Exchange

Level 40, Central Park

152-158 St Georges Terrace

Perth, WA 6000

ASX CODE

GRV

It is with much pleasure that I write to you as Chairman of Greenvale Energy Limited ("**Greenvale**" or "**the Company**").

The Company continues to undertake work on its 99.9% owned Alpha Resources project mainly around the area of technical evaluation and exploration of oil shale targets. The Alpha Resources project is one of the richest variety of Torbanite oil shale. However, with the continued low-price of oil, this in turn, adversely affects the long term commercial viability of Alpha Resources project. The Directors have attempted to exploit alternative sources of uses for the shale.

Based on work done during the year, the Company has identified that the Alpha Resources shale could be used for 59% asphaltines (bitumen) and 40% fuels. This is an important step for the Company, as it now provides an alternative use for the product given the volatility of oil prices. It also provides the Company with some basis for moving forward towards trying to commercialise this project.

The Board plans to fully define and, if economically feasible, develop the Alpha deposit. A new work programme has been detailed and aims to continue the work from the previous years and update existing data and then establish a programme of infill drilling to upgrade the resource. This work is expected to occur later- on during the calendar year 2017.

One of the pleasing aspects of the financial year was the announcement of the renewal of the Alpha Resources MDL 330 licence for a further five years. This renewal process was a comprehensive process and I am pleased that we have been able to secure this asset for additional tenure.

In addition to the above, you Board has reviewed several projects with the intention to utilise some of its surplus funds for creating value to shareholders. As outlined in this report, the Board did come close to acquiring a project which is unrelated to energy. However, the cost benefit analysis of regulatory approvals were considered to be too significant and accordingly, the transaction was terminated. In pursuing such projects your Board, is devoting a considerable amount of their personal time and will continue with their pursuit of seeking an acquisition/investment to compliment the Alpha Resources project.

Finally, I would like to thank the shareholders of the Company for their continued support.

Yours sincerely



Elias (Leo) Khouri
Chairman

21st September 2017

Alpha Oil Shale Deposit MDL/330

Background

The Alpha deposit is located approximately 62km south of Alpha, a small farming town in Central Queensland and over the last 75 years the area has been explored by numerous parties over that period. As a result, significant exploration data is available from within MDL 330 and includes:

- 68 holes with total cumulative depth of 3,251.9m;
- down-hole geophysical logging on 26% of the holes; and
- 192 oil shale sample analyses.

Torbanite is one of the richest variety of oil shale known (oil yields range from 200600l/TOM) and deposits result from the accumulation of a single species of algal remains whilst cannel coal is another type of oil shale that is derived from the accumulation of plant remains.

Activities undertaken

During the year, the Company undertook the following work on its MD 330 licence:

- data search and validation;
- survey correction of topographic data and location of historical drill holes;
- identification of permanent benchmarks within close proximity to the project area that can be used in future survey programs; and
- field surveys to establish temporary survey reference points and identify surface features to correct the location of the previous topographic map and historical drill holes.

In addition, a preliminary study, based on historical data, has led to the identification of 4 possible development options.

ALPHA RESOURCES PTY LTD (MDL 330 & EPM25795) PROJECT LOCATION MAP

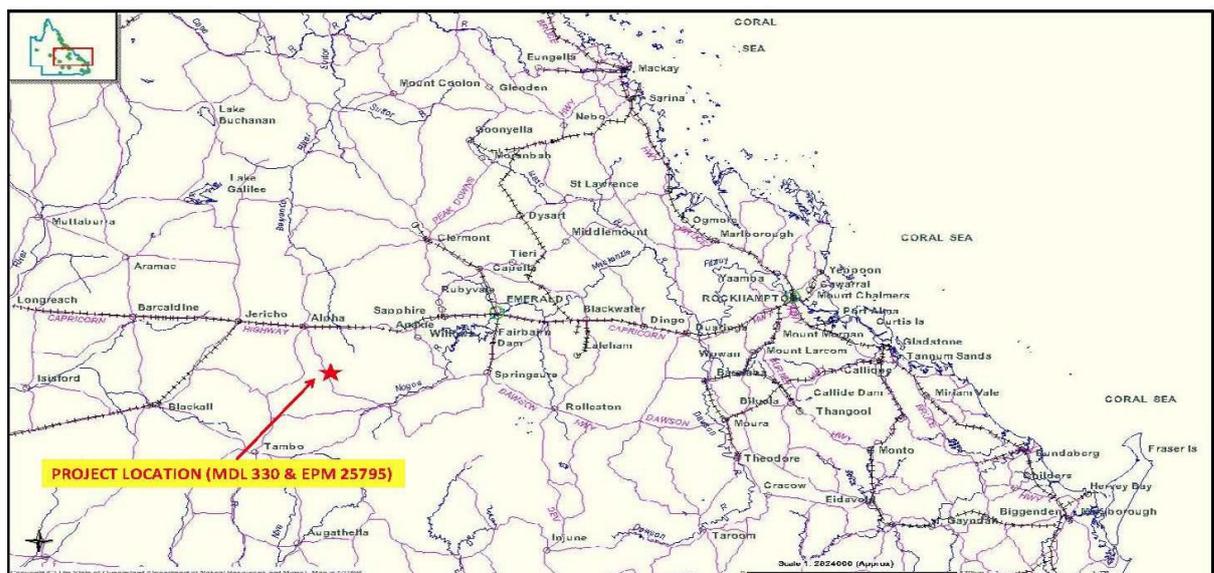


Figure 1: MDL 330 Project Location

Data Search and Validation

A review of the raw exploration data such as drill logs, down-hole geophysics and collar survey details revealed that some records have not yet been located even though the drill data and survey summaries have been found. Despite the gaps in the data a significant amount of information relating to MDL 330 is available.

The work highlighted that due to the relative age of the drilling data available and the lack of proper survey information there is insufficient data to estimate a Resource of oil shale within MDL 330 according to the JORC Code 2012. However, it is possible to define Exploration Targets (see below) under JORC 2012 which are useful, in particular with the deposit model for an intended scoping and utilisation studies.

The review of the historical borehole database has enabled sorting potential points of observation into various levels of confidence ranging from high reliability to low depending on the availability of the following;

- survey information
- geological logs
- downhole geophysical logs
- proximate analyses
- Fischer assay

The variability in the amount of historical information currently was summarised in the March 2017 quarterly annual report.

Site Survey Orientation

The review of the previously located historical data highlighted the need for an updated survey of the tenement and the relocation of the historical drill holes. The previous survey was completed in 1985 using a theodolite and positioning was fixed to a survey benchmark for which the location is no longer known.

As a result, a site orientation and **GPS** survey was undertaken by the Company in January and February, 2017. The objective was to identify surface topographical features in the area that can be identified on publicly available topographic maps and combined with the existing historical topographic survey to create a digital terrain model of the project area. Differential GPS survey markers were established at the project to provide reference points to assist in correction of the variation in the location and elevation of the historical survey data and tie it into the Australian Grid.

The field results of the work to date are:

- the details of proximal permanent survey benchmarks that could be used for future surveying programs have been identified; and
- the field surveys have identified surface features that demonstrates significant error in the old survey information that requires correction.

The data gathered by Precision Positioning Solutions Pty Ltd of Emerald Queensland were collected and presented in accordance with the Surveying Standards for the Provision of Topographical Surveys and have subsequently enabled a Digital Terrain Model (DTM) transformation for the Alpha Oil Shale Project .

Although the tie-in of the modern survey and historical survey proved to be more difficult than envisaged a new Digital Terrain Model (**DTM**) updated topographic map was established that can be used for future resource modelling. Any survey information is likely to be insufficient to provide a Resource statement but the accurate relocation of the historical drill-holes will allow the design of a new systematic in-fill drill program to prove up the deposit, to a JORC standard.

Further Work: Scoping and Utilisation Studies

The review of the Company's historical data shows that the Alpha torbanite (the richest oil shale known) can be refined to 59% asphaltines (bitumen) and 40% fuels (petrol, diesel and kerosene). The 1987 Coal and Carbon Industries (CCI) of Melbourne study commissioned by Alpha provided mass balance data with a product mix of:

- 14.3% petroleum,
- 7.3% kerosene,
- 19.5% diesel and
- 58.9% asphaltines.

With these findings subsequent additional research and development projects were undertaken on the Alpha oil shale to determine its properties more thoroughly. These included studies commissioned at the Center of Applied Energy Research (CAER) at University of Kentucky, Lexington (USA), Northlake Industries (Utah, USA), CSIRO (Lucas Heights) and the University of Wollongong. .

Studies at the CSIRO showed that oil from Alpha torbanite has a significant fraction that could be a source of commercial bitumen. The study commissioned by Alpha showed retorting using CCI technology produced 2.5 barrels of bitumen per tonne of torbanite, as noted above approximately 59% of the total products. These figures show that torbanite is probably much better shale for bitumen production than other Australian Tertiary shales

The spent shale remaining from the retort metallurgical process was also analysed at CAER, for potential use as activated carbon, this work showed the Alpha torbanite spent shale has comparable adsorption properties to commercial activated carbons. It adsorbed less nitrogen oxide and ammonia than commercial activated carbons but adsorbed more hydrogen sulphide. The test work calculations showed that for each tonne of average grade torbanite the residue obtained after pyrolysis and steam pyrolysis constitutes 23% of the original torbanite. Yielding approximately 230 kgs of activated carbon per tonne of torbanite.

The unique quality of Alpha oil shale therefore has the potential to be used in diverse applications such as:

- a source of bitumen;
- a source of activated carbon;
- a chemical reductant (replacing fuel oil) in smelting (including nickel processing); and
- a source of oil products, petroleum/diesel/ kerosene.

Consequently, it is proposed to undertake a desktop scoping study that can examine these utilisation options in detail and encompass:

- resource modelling with the new topography and DTM;
- overall pit design, dump and drainage design options and potential mining schedule;
- analysis of mining options and costs; and
- concentrate on the direct use of the rock as an industrial material and as a source of bitumen.

The Board of Greenvale Energy have decided to fully define and, if economically feasible develop the Alpha deposit. A new work programme has been detailed and aims to continue the work from the previous years and update existing data and then establish a programme of infill drilling to upgrade the resource.

The bitumen market

The Australian bitumen industry shows that Australia has a road network of 800,000 kms of which about 310,000 kms is surfaced and more than 90% of the surfaced roads are sprayed seal roads (bituminous binded). There are around 120 asphalt (bitumen) plants across Australia ranging from small plants of 30 to 40 tonnes per hour capacity to new large 300 to 400 tonnes per hour plants.

The prices for bitumen have corrected moderately following the drop-in oil prices. The prices for Class 170 bitumen in Australia have dipped from AUD 1,100 per tonne to AUD 900 per tonne in the last 2 years

Licence renewal

On 17 March 2017, the Company announced that its application for the renewal of its MDL 330 exploration licence was granted and that the period of time was extended for a further five years, commencing 1 February 2017.

Statement of Resources and Reserves

At this time, no statement of Resources and Reserves has been possible as the data is partially out-dated, poorly preserved and often incomplete. For this reason it has been down-graded to an Exploration Target in terms of the JORC Code 2012.

Statement of Significant Mineralization

In accordance with Mineral Resources Regulation 2003, there is insufficient data to estimate a Resource of oil shale within MDL 330 according to the JORC Code 2012 at this time.

Due to the relative age of the drilling data available and the lack of proper survey information, oil shale within MDL 330 can only be classified as an Exploration Target in terms of the JORC Code 2012. In accordance with the JORC Code it must be stated that the Exploration Target area is theoretical in nature at this time as insufficient information is currently available to estimate an oil shale Resource. Additional drilling will be required to demonstrate the Exploration Target potential and there is no guarantee that this work will result in an oil shale Resource.

The Exploration Targets have been estimated using GEMCOM Surpac® mining Software during the 2015/2016 exploration year. As the seam thickness, quality and depth was derived from the existing dataset which is not complete the Exploration Targets that have been identified are still conceptual in nature and are not an oil shale Resource. Because of the condition of the historic data additional exploration cannot guarantee that an oil shale Resource will result.

REVIEW OF OPERATIONS

The following Table summarises the oil shale Exploration Targets estimated in this study:

Exploration Targets in MDL 330			
TORBANITE			
Depth Range	Oil Shale (Mt)	Oil Yield (Lt/t)	Shale Oil (Mb)
0-25m	2.03 – 2.65	362	4.86 – 6.05
25-50m	1.37 – 1.93	324	2.97 – 3.92
50-75m	0.19 – 0.45	264	0.27 – 0.75
75-100m	0.00 – 0.09	283	0.00 – 0.15
TOTAL	3.59 – 5.11	338	8.10 – 10.86
CANNEL COAL			
Depth Range	Oil Shale (Mt)	Oil Yield (Lt/t)	Shale Oil (Mb)
0-25m	5.99 – 11.61	130	4.46 – 9.52
25-50m	11.02 – 16.33	133	9.28 – 13.70
50-75m	4.95 – 9.05	133	4.16 – 7.55
75-100m	0.37 – 2.95	122	0.24 – 2.27
TOTAL	22.33 – 39.93	132	18.14 – 33.04
TORBANITE + CANNEL COAL			
Depth Range	Oil Shale (Mt)	Oil Yield (Lt/t)	Shale Oil (Mb)
0-25m	8.02 – 14.26	174	9.32 – 15.57
25-50m	12.39 – 18.26	153	12.25 – 17.61
50-75m	5.15 – 9.50	139	4.43 – 8.30
75-100m	0.37 – 3.03	127	0.24 – 2.42
TOTAL	25.92 – 45.04	155	26.24 – 43.90

In estimating this oil shale accumulation, the following assumptions have been made:

- low-range oil shale Exploration Target is based on 500m influence of the torbanite lens from a known observation point for all oil shale seams with a minimum of 5 overlapping observations and more than 3 observations with quality analysis;
- high-range oil shale Exploration Target is based on the ultimate limit of torbanite lens to a minimum 0.4m thickness cut-off where data is more widely spaced;
- to compensate for oil shale lost to erosion, a 3m weathering halo was applied to the resource estimation. This assumes that no oil shale exists within 3m of the ground's surface;
- minimum seam thickness of 0.4m has been applied to the model;
- a bottom limit of -50m elevation was applied to the model;
- oil shale is estimated by depth ranges of 25m intervals from the surface to a maximum depth of 100m below the surface;
- seam intersections were based on recorded logs and lab analysis results;
- no mine recovery factor was used;
- oil shale was restricted to within the boundary of lease areas;
- a density for oil shale of was taken from sample analysis results for each individual seam;
- the quality has been included into the geological model and represents the actual distribution of the quality within the deposit as analysed in the oil shale core samples taken; and
- cores were composited at each point of observation for each individual seam. An IDW2 interpolation was used to populate the block model from the quality composites with a search radius of horizontal 2000m and vertical 100m from each sample observation.

Competent Person Statement

The information in this report has been prepared by Michael Povey C,Eng M.Sc who is a Member of The Australian Institute of Mining and Metallurgy and a Non-Executive Director of the Company and fairly represents information and supporting documentation prepared by Daniel Madre M.Sc, and Precision Positioning Solutions Pty Ltd who undertook the GPS survey and report. Mr Madre worked as a geologist and project manager for the Alpha Oil Shale Project during a period from 1980 to 1988. This included field work annually, well site geological duties, managing various exploration programs and other investigations during that time. In addition, Mr Madre completed a Master of Science degree from the University of Wollongong that featured a study of torbanite deposits of the world (including Alpha) as the subject of his Master's thesis. Mr Madre consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate Matters

Strategic direction and acquisitions

The Board continued to actively assessed potential acquisition opportunities in the exploration sector. The Company did assess one particular project which was unrelated to energy and incurred some \$80,000 in costs relating to pursuing the acquisition. The costs related to an exclusivity fee of \$50,000 and the balance was other associated transaction costs. Whilst the proposed transaction meet most of the Company's objectives in terms of creating shareholder wealth, the Directors did not proceed on the basis of the requirements of legal and regulatory approvals required and those matters which were considered to outweigh the benefits of any benefits arising from the proposed transaction.

In addition, other transactions were considered by the Board and the Company incurred minor costs for reviewing other transactions. Your Board has invested a significant amount of their own personal time in trying to pursue such transactions.

Cash management

The Company has continues to invest the surplus funds from the sale to QER on interest bearing deposit until they are ready for use in the operations of the Company and/or any potential acquisition or investment opportunities.

Risks

The Company is subject to a number of risks, including but not limited to the following:

- exploration risks – there is no guarantee that the exploration activities of the Company will result in the location of resource for sale;
- there is no guarantee that the Company will achieve JORC standard on its project;
- technological risk – even if resource is found, there is no guarantee that the processing of the resource will be able to occur;
- sufficient volume for commercialisation – there is no guarantee that an economic level of resource will be found;
- changes in oil prices – there is no guarantee that the oil prices will remain at the current levels and as a result, a further decline in oil prices, will affect the economic value of the Alpha Resources project;
- loss of key personnel – the loss of key personnel may affect the commercialisation of the project; and

REVIEW OF OPERATIONS

- funding risk – the commercialisation of the project is dependent upon significant funding, none of which can be assured by the Company.

A handwritten signature in black ink, appearing to read 'Elias Khouri', with a long horizontal flourish extending to the right.

Elias Khouri

Chairman

Dated at Sydney this 21st day of September 2017.

The Board recognises the importance of establishing a comprehensive system of control and accountability as the basis for the administration of corporate governance.

To the extent relevant and practical, the Company has adopted a corporate governance framework that is consistent with The Corporate Governance Principles and Recommendations (3rd Edition) as published by ASX Corporate Governance Council ("**Recommendations**").

The Board has adopted the following suite of corporate governance policies and procedures which are available on the Company's website at www.greenvaleenergy.com.

- Board Charter
- Procedures for Selection and Appointment of Directors
- Code of Conduct
- Securities Trading Policy
- Audit Committee Charter
- Continuous Disclosure Policy
- Shareholder Communication Policy
- Risk Management and Internal Compliance and Control
- Performance Evaluation Procedures
- Remuneration Committee Charter
- Nomination Committee Charter

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

The Company is pleased to report that its practices are largely consistent with the Recommendations of the ASX Corporate Governance Council and sets out below its compliance and departures from the Recommendations for the financial year ended 30 June 2017.

In light of the Company's size and nature, the Board considers that the current corporate governance regime is a fit-for-purpose, efficient, practical and cost effective method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the implementation of additional corporate governance policies and structures will be reviewed.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<i>Principle 1: Lay solid foundations for management and oversight</i>		
<p>Recommendation 1.1 A listed entity should have and disclose a charter which sets out the respective roles and responsibilities of the Board, the chair and management; and includes a description of those matters expressly reserved to the Board and those delegated to management.</p>	YES	<p>The Company has adopted a Board Charter which complies with the guidelines prescribed by the ASX Corporate Governance Council.</p> <p>A copy of the Company's Board Charter is available on the Company's website.</p>
<p>Recommendation 1.2 A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</p> <p>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.</p>	YES	<p>a) The Company undertakes appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director, which includes at minimum a formal face to face meeting, reference check and ASIC search.</p> <p>b) During the financial year, the shareholders of the Company re-elected Mr Khouri, Mr Shamieh and Mr Dibb as directors of the Company at the annual general meeting held on 28 November 2016.</p>
<p>Recommendation 1.3 A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	YES	<p>Each director and senior executive of the Company is a party to a written agreement with the Company which sets out the terms of their appointment.</p>
<p>Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p>	YES	<p>The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the Board:</p> <ul style="list-style-type: none"> (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and the entity's progress in achieving them; <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period:</p> <ul style="list-style-type: none"> (i) the measurable objectives for achieving gender diversity set by the Board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: <ul style="list-style-type: none"> a. the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or b. the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012. 	NO	<p>Given the current size of the Company, the Company has not adopted a formal Diversity Policy as the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council in this regard are disproportionate to the costs involved in the implementation of such strategies. Further, given the size of the Company, the setting of measurable objectives are not likely to yield meaningful results in the context of a company that only employs 5 people, being its Board and Company Secretary.</p> <p>Instead, the Board has undertaken to adopt a Diversity Policy in line with the recommendations of the ASX Corporate Governance Council once the Company employs a workforce of 20 or more people.</p> <p>Whilst the Company's workforce remains below this threshold, the Board will continue to drive the Company's diversity strategies of the Company on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	YES	<p>a) The Nomination Committee (the function of which is currently performed by the full Board) is responsible for evaluating the performance of the Board and individual Directors on an annual basis. The process for this is set out in the Company's Performance Evaluation Procedures policy which is available on the Company's website.</p> <p>b) During the financial year, the Company continually reviewed its composition and performance. There were no changes to the composition of the Board during the course of the year. The Board considers the existing size and composition of the Board to be appropriate in the context of the Company's current size and the nature and scale of its activities.</p>
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	YES	<p>a) The Remuneration Committee (the function of which is currently performed by the full Board) is responsible for evaluating the performance of senior executives on an annual basis in accordance with the Company's Performance Evaluation Procedures policy.</p> <p>b) During the financial year, the Board continually monitored the performance review of the Executive Director in line with the Company's Performance Evaluation Procedures policy. The Company did not employ any other senior executives during the course of the year.</p>

Principle 2: Structure the Board to add value

<p>Recommendation 2.1</p> <p>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p style="padding-left: 20px;">(i) has at least three members, a majority of whom are independent Directors; and</p> <p style="padding-left: 20px;">(ii) is chaired by an independent Director,</p> <p>and disclose:</p> <p style="padding-left: 20px;">(iii) the charter of the committee;</p> <p style="padding-left: 20px;">(iv) the members of the committee; and</p> <p style="padding-left: 20px;">(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual</p>	YES	<p>a) Due to its size (5 members), the Board has determined that the function of the Nomination Committee is most efficiently carried out with full board participation and accordingly, the Company has elected not to establish a separate Nomination Committee at this stage. As a result, the duties that would ordinarily be assigned to the Nomination Committee under the Nomination Committee Charter are carried out by the full board.</p> <p>A copy of the Nomination Committee Charter is available on the Company's website.</p> <p>b) The Board devotes time at annual Board meetings to discuss Board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p>
--	-----	--

attendances of the members at those meetings; or

- (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.

Recommendation 2.2

A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

NO

The Board is comprised of directors with a broad range of technical, commercial, financial and other skills, experience and knowledge relevant to overseeing the business of a junior exploration company.

The Company is considering updating the skills matrix. Once available, the Company will disclose a copy of the Company's Board skills matrix on its website.

Recommendation 2.3

A listed entity should disclose:

- (a) the names of the Directors considered by the Board to be independent Directors;
- (b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion; and
- (c) the length of service of each Director

YES

- (a) The names of Directors considered by the Board to be independent are as follows:

- Mr Povey
- Mr Dibb
- Mr Shamieh

The Company's Chairman, Mr Khouri, is not considered to be independent due to his substantial shareholding in the Company.

Mr Fayad is also not considered to be independent due to his executive role.

- (b) The Board has determined the independence of each of the Company's Directors in line with the guidance set out by the ASX's Corporate Governance Council and have not formed an opinion contrary to those guidelines.

- (c) The length of service of each Director is as follows:

- Mr Khouri was appointed on 7 February 2011 and has served as a director for approximately 6.5 years.
- Mr Fayad was appointed on 31 October 2014 and has served as a director for almost 3 years; and
- Mr Povey was appointed on 19 May 2015 has served as a director for 2 years.
- Messrs Dibbs and Shamieh were appointed on 3 March 2016 and have served as directors for a period of approximately 1.5 years.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 2.4</p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	YES	<p>The Board is comprised of five board members, 60% of which are independent directors, with the remaining 40% being non-independent.</p> <p>The Board is, however, cognisant of the benefits of an independent Board however, the Board is confident it is able to effectively discharge its duties and responsibilities with the existing structure in place.</p>
<p>Recommendation 2.5</p> <p>The Chair of the Board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	PARTIALLY	<p>The Company's Chairman, Mr Khouri, is a substantial shareholder of the Company which precludes him from qualifying as an independent director under the guidelines prescribed by the ASX Corporate Governance Council.</p> <p>Despite not being independent, the Board considers Khouri to be the most appropriate Director to act as Chairman.</p> <p>The roles of the Chairman and Managing Director are not held by the same person.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.</p>	YES	<p>The Company has adopted a program for the induction of new directors which is tailored to each new Director depending on their personal requirements, background skills, qualifications and experience and includes the provision of a formal letter of appointment and an induction pack containing sufficient information to allow the new Director to gain an understanding of the business of the Company and the roles, duties and responsibilities of Directors and the Executive Team.</p> <p>All Directors are encouraged to undergo continual professional development and, subject to prior approval by the Chairman, all Directors have access to numerous resources and professional development training to address any skills gaps.</p>

Principle 3: Act ethically and responsibly

<p>Recommendation 3.1</p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its Directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	YES	<p>a) The Company has a Corporate Code of Conduct that applies to its Directors, employees and contractors (all of whom are referred to as "employees" under the Code).</p> <p>b) The Company's Corporate Code of Conduct is available on the Company's website.</p>
---	-----	--

Principle 4: Safeguard integrity in financial reporting

Recommendation 4.1

<p>The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p style="margin-left: 20px;">(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</p> <p style="margin-left: 20px;">(ii) is chaired by an independent Director, who is not the chair of the Board,</p> <p>and disclose:</p> <p style="margin-left: 20px;">(iii) the charter of the committee;</p> <p style="margin-left: 20px;">(iv) the relevant qualifications and experience of the members of the committee; and</p> <p style="margin-left: 20px;">(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>NO</p>	<p>The Board has not established an audit committee as it believes that, given the size of the board, no efficiencies are derived from a formal committee structure. Notwithstanding the non-existence of the audit committee, ultimate responsibility for the integrity of the Company's financial reporting rests with the full Board. All items that would normally be dealt with by an audit committee are dealt with at Board meetings. Such matters include:</p> <p>(a) establishment and review of internal control frameworks within the Company;</p> <p>(b) review of the financial statements, annual report and any other financial information distributed to shareholders or other external stakeholders;</p> <p>(c) review of audit reports and any correspondence from auditors, including comments on the company's internal controls;</p> <p>(d) nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual audit and half year review; and</p> <p>(e) monitoring compliance with the Corporations Act, ASX Listing Rules and any other regulatory requirements.</p> <p>The full Board in its capacity as the Audit Committee addressed these matters at meeting during the reporting period. Details of the directors' attendance at the meetings are set out in the Directors 'Report. However, given that the Board comprises of three out of five non-executive persons, it is believed that an appropriate balance of independence is in place for such a committee.</p> <p>Details of each of the directors 'qualifications are set Out in the Directors 'Report.</p>
---	-----------	--

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 4.2		
<p>The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	YES	<p>Prior to the execution of the financial statements of the Company, the Board was provided with written assurances that the declaration provided in accordance with section 295A of the Corporations Act was founded on a sound system of risk management and internal control which is operating effectively in all material aspects in relation to the Company's financial reporting risks.</p>
Recommendation 4.3		
<p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	YES	<p>Each year, the Company's external auditor attends its AGM (in person or by telephone) and is available to answer questions from security holders relevant to the audit.</p> <p>With respect to the 2016 AGM held on 28 November 2016, the Company's auditor, attended the meeting and made himself available for questions.</p>
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1		
<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	YES	<p>a) The Company has adopted a Continuous Disclosure Policy which details the processes and procedures which have been adopted by the Company to ensure that it complies with its continuous disclosure obligations as required under the ASX Listing Rules and other relevant legislation.</p> <p>b) The Continuous Disclosure Policy is available on the Company's website.</p>
Principle 6: Respect the rights of security holders		
Recommendation 6.1		
<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	YES	<p>Shareholders can access information about the Company and its governance (including its Constitution and adopted governance policies) from the Company's website on the "Corporate Governance" page.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 6.2</p> <p>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	YES	<p>The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders, including via its website, through announcements released to the ASX, its annual report and general meetings. Shareholders are also welcome to contact the Company or its registrar, Security Transfer Registrars, via email or telephone.</p> <p>The Company's Shareholder Communications Strategy policy is available on the Company's website.</p>
<p>Recommendation 6.3</p> <p>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	YES	<p>Shareholders are encouraged to participate at all GMs and AGMs of the Company by written statement contained in every Notice of Meeting sent to shareholders prior to each meeting.</p> <p>The Company accommodates shareholders who are unable to attend GMs or AGMs in person by accepting votes by proxy.</p> <p>At each meeting, shareholders are invited by the Chairman to ask questions of the Company's external auditor and the Board.</p> <p>Shareholders are also given an opportunity to ask questions on each resolution before it is put to the meeting.</p> <p>Any material presented to shareholders at the meeting is released to the ASX immediately prior to the commencement of the meeting for the benefit of those shareholders who are unable to attend in person. The Company also announces to the ASX the outcome of each meeting immediately following its conclusion.</p>
<p>Recommendation 6.4</p> <p>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	YES	<p>Shareholders have the option of electing to receive all shareholder communications by e-mail and can update their communication preferences with the Company's registrar at any time.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
--------------------------------	--------------------	-------------

Principle 7: Recognise and manage risk

Recommendation 7.1

The Board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

(i) has at least three members, a majority of whom are independent Directors; and

(ii) is chaired by an independent Director,

and disclose:

(iii) the charter of the committee;

(iv) the members of the committee; and

(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.

YES

a) Due to its size (5 members), the Board has determined that the function of the Audit Committee is most efficiently carried out with full board participation (excluding Mr Fayad) and accordingly, the Company has elected not to establish a separate Audit Committee at this stage.

As a result, the duties that would ordinarily be assigned to the Audit Committee under the Audit Committee Charter are carried out by the full board. The qualification and experience of all the members of each of the members is set out in the Directors' Report which is contained within the Company's annual report and also on the Company's website.

b) Not applicable.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 7.2</p>	YES	<p>a) The Company monitors, evaluates and seeks to improve its risk management and internal control processes in line with the processes set out in its Risk Management and Internal Compliance and Control Policy, which requires the Board to continually consider the Company’s risk management framework. A copy of the Company’s Risk Management and Internal Compliance and Control Policy is available on the Company’s website.</p> <p>In addition, the Company has a number of other policies that directly or indirectly serve to reduce and/or manage risk, including:</p> <ul style="list-style-type: none"> - Continuous Disclosure Policy - Code of Conduct - Trading Policy <p>b) During the last financial year the Company undertook a review of its risk management framework, reviewing the Company’s exposure to material risks at its regular board meetings. The Board was satisfied that it continues to be sound, and that the material business risks remain within the risk appetite set by the Board.</p>
<p>Recommendation 7.3</p>	YES	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> <p>Given the size of the Company, the Board had determined that a formal internal audit function is not required at this stage.</p> <p>The Board regularly considers its exposures to risk on an informal basis and remains satisfied that the Company’s existing processes and controls are operating effectively.</p>
<p>Recommendation 7.4</p>	YES	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> <p>The Company is exposed to environmental, political and social sensitivities around the oil shale extraction technologies.</p> <p>Previously, a moratorium restricted the Company’s ability to develop its oil shale tenements. Despite having the moratorium lifted, the Company’s exposure to environmental and social sustainability risks in this regard still remain.</p>

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
--------------------------------	--------------------	-------------

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

The Board of a listed entity should:

(a) have a remuneration committee which:

- (i) has at least three members, a majority of whom are independent Directors; and
- (ii) is chaired by an independent Director,

and disclose:

- (iii) the charter of the committee;
- (iv) the members of the committee; and
- (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

YES

- a) Due to its size (5 members), the Board has determined that the function of the Remuneration Committee is most efficiently carried out with full board participation and accordingly, the Company has elected not to establish a separate Remuneration Committee at this stage.

As a result, the duties that would ordinarily be assigned to the Remuneration Committee under the Remuneration Committee Charter are carried out by the full board.

The Remuneration Committee Charter is available on the Company's website.
- b) The Board devotes time at annual Board meetings to consider the performance and remuneration of the Managing Director in line with its Remuneration Policy to ensure that such remuneration is appropriate and not excessive.

Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.

YES

The Company's policies and practices regarding the remuneration of non-executive and executive directors and other senior employees are set out in its Remuneration Policy under the Remuneration Committee Charter, a copy of which is available on the Company's website.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
<p>Recommendation 8.3</p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	YES	The full board is responsible for considering and approving, on a case by case basis, whether scheme participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in any equity-based remuneration schemes of the Company.

The Directors present this report together with the financial report of Greenvale Energy Limited ("**Greenvale**" or "**the Company**") and its consolidated entities (the "**Group**") for the year ended 30 June 2017 and the auditors' report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

Elias Khouri (Chairman)

Justin Dibb (Non-Executive Director)

Phillip Shamieh (Non-Executive Director)

Michael Povey (Non-Executive Director)

Vincent John Fayad (Executive Director)

COMPANY SECRETARY

Mr Vincent John Fayad held the position of Company Secretary at the end of the financial year. He was appointed as the Company Secretary on 6 March 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the year was mineral exploration activities in Queensland and the review of suitable related technologies.

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

RESULT AND REVIEW OF OPERATIONS

The loss for the Group after income tax for the year amounted to \$516,972 (2016: Loss of \$396,158) and the net assets of the Group at 30 June 2017 was \$2,634,281 (2016: \$3,171,252).

The loss for the year was impacted by the following key items:

- various costs associated with the review of various projects of \$109,548; and
- exclusivity fee connected to an exploration tenement which is unrelated to energy of \$50,000.

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year to the date of this report.

EVENTS SUBSEQUENT TO REPORTING DATE

No events have occurred since balance date which would affect the financial or operating affairs of the Company or the Group.

DIRECTORS' MEETINGS

During the financial year, four meetings of directors were held. Attendance by each director was as follows:

Director	Board Meetings	
	Meetings attended	Meetings held whilst in office
Mr Khouri	4	4
Mr Povey	4	4
Mr Fayad	4	4
Mr Dibb	4	4
Mr Shamieh	4	4

DIRECTORS' INTERESTS

At 30 June 2017, the relevant interest of each director in the shares of the consolidated entity as notified by the Directors to the Australian Securities Exchange in accordance with s.205G (1) of the *Corporations Act* at the date of this report is as follows:

	ORDINARY SHARES FULLY PAID	OPTIONS 8 CENTS 31 August 2018
	Mr E Khouri	20,601,994
Mr J Dibb	9,242,180	-
Mr P Shamieh	9,242,180	-
Mr M Povey	-	-
Mr V Fayad	1,156,057	1,156,057

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Greenvale support and have adhered to the principles of Corporate Governance. Greenvale's corporate governance statement is contained in the Corporate Governance section of the financial report.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than described elsewhere in this report, in the opinion of the directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year.

ENVIRONMENTAL REGULATIONS

The Group's mineral exploration activities are subject to environmental regulations under Commonwealth and State legislation. The Group is not aware of any activity that has taken place on the leases which would give rise to any environmental issue. The consolidated group entity is not aware of any instances of non-compliance with the legislative requirements during the period covered by this report.

OPTIONS

No options were issued during the financial year. In the 2016 year, the Company issued 3,100,000 options with an exercise price of \$0.08 per option and an expiry date of 31 August 2018 to the former convertible note holders.

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
Various	31 August 2018	\$0.08	3,100,000
Various	31 August 2018	\$0.10	28,795,299

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

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Group has not agreed to indemnify any director, officer or auditor against liabilities that may arise from their position as director, officer or auditor of the Company except as follows:

The Company and Directors paid premiums based on normal commercial terms and conditions to insure all Directors, officers and employees of the Company against the cost and expenses in defending claims against the individual while performing services for the Company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 21 to the financial statements.

The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. None of the services provided by the auditors undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing risks economic risks and rewards. The nature and scope of each type of non-audit service provide means that auditor independence has not been compromised.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the company who are former partners of RSM Australia Partners.

INFORMATION ON DIRECTORS & COMPANY SECRETARY**MR ELIAS (LEO) KHOURI**

Chairman

Mr Khouri has been involved in international financial equity markets since 1987 through his involvement in a wide range of companies listed on the ASX, AIM, TSX, NYSE, NASDAQ, and/or the Frankfurt Stock Exchange.

Through Mr Khouri's extensive experience in the equity markets he has developed expertise in the corporate finance, advisory, capital raisings, joint venture and farm-in negotiations for both listed and unlisted companies.

Mr Khouri has provided advisory services to a number of companies across a breadth of industries ranging from bio-technology, funds management, telecommunications, media and entertainment, and the mining industry.

Mr Khouri has not held any other directorships with listed companies over the last three years.

MR JUSTIN DIBB

Non-Executive Director

Mr. Justin Dibb Studied Law, Banking and Finance in Queensland Australia, following which Justin was employed by HSBC (HABA:LON) in an advisory capacity , Justin has significant experience in the mining and petroleum sectors and an in-depth understanding of corporate governance, regulatory and compliance matters , Justin has a strong record in management , transaction structuring and management of transaction processes.

In 2011, Justin was a founding director and is the Chief Executive Officer of Allied Resources Limited, a diversified resources company focused on acquiring exploration and development assets in Africa. Allied Resources holds assets in Tanzania and Ethiopia and is focused on the development of large scale commercial gold and copper mining operations, Justin manages a team of technical and operational professional.

In 2004, Justin was a founding director of Dominion Petroleum Limited (DPL:LN), during his tenure as Commercial Director, Managing Director and Chief Executive Officer, Justin acquired Petroleum assets across Africa. Dominion held assets in Tanzania, Uganda, Kenya and the Democratic Republic of the Congo. Dominion was listed on the AIM market of the London Stock Exchange in 2006 with a market capitalisation of US \$240 million, Justin was instrumental in raising circa US \$140 million for Dominion during his tenure to fund exploration and drilling operations. Justin resigned as Chief Executive Officer in 2010, ahead of completion of the takeover of Dominion by Ophir Energy PLC (OPHR:LON) for US \$186 million.

DIRECTORS' REPORT

MR PHILLIP SHAMIEH

Non-Executive Director

Justin was also the founding director and shareholder of Incipient Holdings Limited, a boutique merchant banking firm with investments spanning technology, telecommunications, financial services, mining and petroleum across Africa, Asia and Australia. Justin has raised and advised on over \$1.6 billion worth of equity, debt and convertible transactions in his career.

Phillip holds a Bachelors of Commerce Degree and a Postgraduate Degree in Applied Finance and Investments from the Securities Institute of Australia. He is an international mining and resources executive with extensive experience in research, Operations, financial management and reporting, business development and strategy, merger and acquisitions.

Phillip has been the Founding Director and Chief Financial Officer of Allied Resources Limited since 2011, a diversified mining company that holds assets in Tanzania and Ethiopia and is focused on development of large scale commercial gold and copper projects. He was previously the Managing Director and Head of Natural Resources for Clarksons Investment Services, a subsidiary of the world's largest integrated supplier of shipping services, Clarksons plc. Phillip has also been involved with TFS Corporation (TFC,ASX), an ASX300 listed company, for a period of 7 years in various capacities including strategic advisor, CEO and director of their subsidiary, Gulf Natural Supply. At TFS he was instrumental in helping restructure their balance sheet, which included a successful US\$150m Senior Secured note and has secured more than US\$350m from global institutional investors for Australia's largest privately funded irrigation project. Phillip started his career in 1997 for Nestle (NESN:SIX) and worked in finance, sales and marketing, operations and demand forecasting roles,

Phillip was also the founding director and shareholder of Incipient Holdings Limited a boutique merchant banking firm with investments spanning technology, telecommunications, financial services, mining and petroleum across Africa, Asia and Australia. Phillip is regarded for his capital markets and supply chain expertise has an in-depth understanding of corporate finance and strategy. He has raised and advised on over \$2billion worth of equity, debt and convertible transactions in his career.

MR MICHAEL POVEY

Non-Executive Director

Mr Povey is a mining engineer with over 35 years worldwide experience in the resource sector. This experience has encompassed a wide range of commodities and included senior management positions in mining operations and the explosives industry in Africa, North America and Australia. During this time he has been responsible for general and mine management, mine production, project evaluation, mine feasibility studies and commercial contract negotiations.

Mr Povey is currently an Executive Director of Astro Resources NL Other than his role at Astro Resources NL, Mr Povey has not held any directorships with listed companies over the last three years.

MR VINCENT J FAYAD

Executive Director & Company Secretary

Mr Fayad is the sole Director and a beneficial owner of Vince Fayad & Associates Pty Ltd and is also a Director of PKF Corporate Finance (NSW) Pty Ltd and has had approximately 35 years of experience in corporate finance, accounting and other advisory related services. He is also a registered company auditor and tax agent. Over the last 20 years, Vince has spent a significant amount of time advising on various transactions that are related to the mining industry.

Vince was appointed as Company Secretary on the 3 March 2016. Vince also previously served as the Managing Director of the Company for the period 31 December 2008 to 6 November 2009.

Vince is currently the Company Secretary of Astro Resources NL and within the last three years was formerly a director of Esperance Minerals Limited, Medibio Limited, Metal Bank Limited and Ashley Services Group Limited.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each key management person of the consolidated entity. Key management personnel have authority and responsibility for planning, directing and controlling the activities of the consolidated entity. Key management personnel comprise the Directors of the Company and Secretary of the Company. The Company does not have any other specified executives.

Compensation levels for key management personnel and secretaries of the Company are competitively set to attract and retain appropriately qualified and experienced directors and executives. The full Board in its capacity as the Remuneration Committee obtains advice on the appropriateness of compensation packages of the Company given trends in comparative companies both locally and internationally.

The remuneration policy of the Company has been designed to remunerate the directors and key management personnel based upon their skills and contributions to the Company. The Board's policy for determining the nature and amount of remuneration for key management personnel of the Company is encapsulated in the Remuneration Committee Charter.

Executive directors may be remunerated with equity incentives along with base cash payments and the opportunity to earn a bonus payment in suitable circumstances.

Whilst Non-Executive Directors do not commonly receive performance related compensation, given the size and nature of the Company and the involvement of the Non-Executive Directors in certain circumstances performance related remuneration may be deemed appropriate. Directors' fees cover all main Board activities and membership of committees.

DIRECTORS' REPORT

The relationship between remuneration and performance has been designed to ensure the Company is appropriately resourced to meet its strategic goals within the context of the availability of capital. In accordance with this strategy a number of key management personnel have agreed to receive remuneration by way of equity.

Voting and comments made at the company's 2016 Annual General Meeting (AGM)

At the 2016 AGM, 100% of the eligible votes received supported the adoption of the remuneration report for the year ended 30 June 2017. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Key Management Personnel	Position Held as at 30 June 2017	Contract Details ¹	Remuneration	Incentives
Mr Elias Khouri	Non-Executive Chairman	-	\$54,000 per annum.	n/a
Mr Justin Dibb	Non-Executive Director	-	\$36,000 per annum.	n/a
Mr Phillip Shamieh	Non-Executive Director	-	\$36,000 per annum.	n/a
Mr Michael Povey	Non-Executive Director	-	\$36,000 per annum.	n/a
Mr Vincent Fayad ²	Executive Director & Company Secretary	Contract is ongoing. Contract may be terminated at any time during the year by giving notice.	\$12,000 per annum for directorship duties plus \$82,500 per annum for the company secretarial and accounting services of company secretary.	n/a

1. Non-executive directors were appointed by a letter of appointment. Directors can retire in writing as set out in the Constitution.
2. Mr Fayad is a Director and shareholder of Vince Fayad and Associates Pty Ltd (**VFA**). VFA provides the provision of accounting, taxation, secretarial and registered office services. Up to 31 October 2017, these services were provided by a related entity to PKF Corporate Finance (NSW) Pty Ltd, PKF Sydney Pty Ltd (**PKF**) under Mr Fayad's supervision.

Performance Rights Plan

No Performance Rights were issued or vested during the year ending 30 June 2017 (2016: Nil).

Details of Key Management Remuneration

The following tables provide detail of all the directors and key management personnel of the consolidated entity and the nature and amount of the elements of their remuneration:

2017

	Short-term Employee Benefits				Post-employment Benefits	Other Long-term benefits	Termination Benefits	Share Based Payments	Total
	Cash, salary, Directors Fees	Cash profit share, bonuses	Non-cash benefits	Allow-ances	Super-annuation				
Mr E Khouri	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Mr J Dibb	36,000	-	-	-	-	-	-	-	36,000
Mr P Shamieh	36,000	-	-	-	-	-	-	-	36,000
Mr Fayad ¹	105,913	-	-	-	-	-	-	-	105,913
Mr Povey	40,000	-	-	-	-	-	-	-	40,000
	262,913	-	-	-	-	-	-	-	262,913

^[1] Mr Fayad is a Director and beneficial owner of VFA. VFA provides the provision of accounting, taxation, secretarial and registered office services to the Company. Up to 31 October 2017, the services were provided PKF, under Mr Fayad's supervision.

GREENVALE ENERGY LIMITED
A.B.N. 54 000 743 555

DIRECTORS' REPORT

2016

	Short-term Employee Benefits				Post-employment Benefits		Termination Benefits	Share Based Payments	Total
	Cash, salary, Directors Fees	Cash profit share, bonuses	Non-cash benefits	Allowances	Super-annuation	Other Long-term benefits			
Mr E Khouri	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000
Mr S Baird	39,000	-	-	-	-	-	-	-	39,000
Mr J Dibb	12,000	-	-	-	-	-	-	-	12,000
Mr P Shamieh	12,000	-	-	-	-	-	-	-	12,000
Mr Fayad ¹	49,625	-	-	-	-	-	-	-	49,625
Mr Povey	35,416	-	-	-	-	-	-	-	35,416
Mr Willesee ²	85,730	-	-	-	-	-	-	-	85,730
	323,771	-	-	-	-	-	-	-	323,771

^[1] During the year ended 30 June 2016, Mr Fayad held a position as Director of PKF Corporate Finance Pty (NSW) Limited (PKFCF). PKF Sydney Pty Limited (PKF) provided the provision of accounting, taxation, secretarial and registered office services to the Company under Mr Fayad's supervision. PKFCF is a related entity to PKF.

^[2] Mr Willesee is a Director of Azalea Consulting Pty Ltd. This company provided the provision of accounting, taxation, secretarial and registered office services to the Company. Mr Willesee resigned as the Secretary of the Company on the 3 March 2016.

The following tables provide detail of the shareholdings, options and performance rights held by directors and key management personnel of the consolidated entity.

30 June 2017

Number of Fully Paid Ordinary Shares Held by Key Management Personnel:

Key Management Person	Balance 1.7.2016	Received as Compensation	Options Exercised	Net Change Other	Balance on Appointment/Resignation	Balance 30.6.2017
Mr Khouri	20,601,994	-	-	-	-	20,601,994
Mr Dibb	9,242,180	-	-	-	-	9,242,180
Mr Shamieh	9,242,180	-	-	-	-	9,242,180
Mr Povey	-	-	-	-	-	-
Mr Fayad	1,156,057	-	-	-	-	1,156,057
	40,242,411	-	-	-	-	40,242,411

30 June 2017

Number of Options Held by Key Management Personnel

Key Management Person	Balance 1.7.2016	Granted as Compensation	Options Exercised	Net Change Other(i)	Balance on Resignation/appointment	Balance 30.6.2017	Total Vested 30.6.2017	Total Exercisable 30.6.2017
Mr Khouri	6,881,720	-	-	-	-	-	-	6,881,720
Mr Fayad	1,156,057	-	-	-	-	-	-	1,156,057
Mr Povey	-	-	-	-	-	-	-	-
Mr Dibb	-	-	-	-	-	-	-	-
Mr Shamieh	-	-	-	-	-	-	-	-
	8,037,777	-	-	-	-	-	-	8,037,777

AUDITOR INDEPENDENCE

The lead auditor's independence declaration has been received and forms part of the directors' report for the financial year ended 30 June 2017.

Signed in accordance with a resolution of the directors

A handwritten signature in black ink, appearing to read 'Elias Khouri', with a long horizontal flourish extending to the right.

Elias Khouri
Executive Director

Dated at Sydney 21st September 2017

RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000

GPO Box 5138 Sydney NSW 2001

T +61 (0) 2 8226 4500

F +61 (0) 2 8226 4501

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Greenvale Energy Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "Rsm".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink that reads "C J Hume".

C J Hume
Partner

Sydney, NSW

Dated: 21 September 2017

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

GREENVALE ENERGY NL
A.B.N. 54 000 743 555

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Note	Consolidated 2017 \$	Consolidated 2016 \$
Administrative expenses	3	(509,192)	(604,102)
RESULTS FROM CONTINUING OPERATIONS		(509,192)	(604,102)
Financial income	2	42,220	283,135
Financial expenses	4	-	(14,453)
NET FINANCIAL INCOME		42,220	268,682
Exploration and impairment charges	5	(50,000)	(60,738)
LOSS BEFORE INCOME TAX FROM CONTINUING OPERATIONS		(516,972)	(396,158)
Income tax benefit	6(a)	-	-
LOSS AFTER INCOME TAX FOR THE YEAR		(516,972)	(396,158)
COMPREHENSIVE LOSS FOR THE YEAR		(516,972)	(396,158)
Basic loss per share (cents)	8	(0.55)	(0.42)
Diluted loss per share (cents)	8	(0.55)	(0.42)

This statement is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Note	Consolidated 2017 \$	Consolidated 2016 \$
CURRENT ASSETS			
Cash and cash equivalents	16(b)	1,828,749	2,521,002
Trade and other receivables	9	29,641	27,858
TOTAL CURRENT ASSETS		1,858,390	2,548,860
NON-CURRENT ASSETS			
Exploration and evaluation	10	835,562	719,068
TOTAL NON-CURRENT ASSETS		835,562	719,068
TOTAL ASSETS		2,693,953	3,267,928
CURRENT LIABILITIES			
Trade and other payables	11	59,671	116,676
TOTAL CURRENT LIABILITIES		59,671	116,676
TOTAL LIABILITIES		59,671	116,676
NET ASSETS		2,634,280	3,151,252
EQUITY			
Issued capital	12	12,746,247	12,746,247
Reserves	13	23,945	23,945
Accumulated losses		(10,135,912)	(9,618,940)
TOTAL EQUITY		2,634,280	3,151,252

This statement is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Issued Capital \$	Options Reserve \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2015	12,746,247	-	(9,222,782)	3,523,465
Net loss for the year	-	-	(396,158)	(396,158)
Other comprehensive income, net of income tax	-	-	-	-
Total comprehensive income		-	(396,158)	(396,158)
Share options issued	-	23,945	-	23,945
Balance as at 30 June 2016	<u>12,746,247</u>	<u>23,945</u>	<u>(9,618,940)</u>	<u>3,151,252</u>
Net loss for the year	-	-	(516,972)	(516,972)
Total comprehensive income	<u>-</u>	<u>-</u>	<u>(516,972)</u>	<u>(516,972)</u>
Balance as at 30 June 2017	<u>12,746,247</u>	<u>23,945</u>	<u>(10,135,912)</u>	<u>2,634,280</u>

This statement is to be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	Consolidated 2017 \$	Consolidated 2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Stamp duty refund		-	188,886
Interest received		46,084	40,658
Payments to suppliers and employees		(560,447)	(1,177,037)
Other (AIM listing costs)		-	(224,000)
NET CASH USED IN OPERATING ACTIVITIES		-	-
	16(a)	(514,363)	(1,171,493)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(127,890)	(131,693)
Option fee for proposed acquisition		(50,000)	-
Proceeds from sale of exploration assets		-	4,000,000
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(177,890)	3,868,307
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		-	320,000
Repayments of Borrowings		-	(564,786)
NET CASH (USED)/PROVIDED FROM FINANCING ACTIVITIES		-	(244,786)
Net (decrease)/increase in cash held		(692,253)	2,452,028
Cash at the beginning of the financial year		2,521,002	68,974
CASH AT THE END OF THE FINANCIAL YEAR	16(b)	1,828,749	2,521,002

This statement is to be read in conjunction with the notes to the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report for the year ended 30 June 2017 of consists of Greenvale Energy NL (**the Company**) and its controlled subsidiaries (the **Group** or **Consolidated Entity**).

Greenvale is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial statements were authorised for issue on 21st September 2017 by the directors of the Company.

A. BASIS OF PREPARATION

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

B. GOING CONCERN

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

C. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the Company at the end of the reporting period. A controlled entity is any entity over which the Company has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

D. INCOME TAX

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority. Deferred tax expense reflects movements in deferred tax asset and liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount or the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available, against which the benefits of the deferred tax asset can be utilised.

E. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation costs are capitalised as exploration and evaluation assets on a project by project basis pending determination of the technical feasibility and commercial viability of the project. The capitalised costs are presented as both tangible or intangible exploration and evaluation assets according to the nature of the assets acquired. When a licence is relinquished or a project abandoned, the related costs are recognised in the statement of comprehensive income immediately.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units consistent with the determination of reportable segments.

Upon determination of proven reserves, intangible exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to a separate category within tangible assets.

Amortisation is not charged on exploration and evaluation assets until they are available for use.

Pre-licence costs are recognised in the statement of comprehensive income as incurred. Expenditure deemed unsuccessful is recognised in the statement of comprehensive income immediately.

F. FINANCIAL INSTRUMENTS

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within the timeframes established by marketplace convention.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and rewards associated with the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract are discharged, cancelled or expire.

Classification and Subsequent Measurement

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

ii. Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

iii. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Fair value

The fair value of investments in the equity shares of related parties is determined based on current last trade prices quoted on the Australian Securities Exchange at balance date.

The fair value of unlisted securities cannot be reliably measured, as variability in the range of reasonable fair value estimates is significant.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and call deposits.

H. SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

I. REVENUE AND OTHER INCOME

Financial income comprises interest income and dividend income. Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest rate method. Dividend income is recognised on the date that the Company's right to receive payment is established.

J. CURRENT & NON CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

K. IMPAIRMENT

The carrying amount of non-financial assets other than exploration and evaluation assets are reviewed each reporting date whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount of receivables is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounted rate that reflects current market assessment of the time value and the risks specific to the asset.

Available-for-sale financial assets

Where a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

L. GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

M. EARNINGS PER SHARE

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

outstanding for the effects of any dilutive potential ordinary shares, which comprise convertible notes and share options granted.

N. TRADE AND OTHER RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are due for settlement within 30 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

O. ASSETS CLASSIFIED AS HELD FOR SALE

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the assets to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of these assets, but not in excess of any cumulative impairment loss previously recognised.

These assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, as current assets. The liabilities of assets held for sale are presented separately on the face of the statement of financial position, as current liabilities.

P. TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided by the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obligated to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Q. COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

R. USE OF ESTIMATES AND JUDGEMENTS

The presentation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Capitalised Exploration and Evaluation Expenditure

The Group's accounting policy for exploration and evaluation expenditure is set out at Note 1(c). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the statement of comprehensive income.

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. The fair value is determined from market value.

S. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

During the current year, the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

T. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the Group:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	1 January 2018	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 16 Leases	1 January 2019	The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases.	The impact of AASB 16 has not yet been determined as the entire standard has not been released.

2. FINANCIAL INCOME

	2017	2016
	\$	\$
Interest	42,220	40,110
Stamp duty refunded	-	188,886
Discount in the value of the Convertible Notes (a)	-	54,139
TOTAL FINANCIAL INCOME	42,220	283,135

(a) Loan forgiveness relates to the discount on face value of convertible notes paid in full on 31 August 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. ADMINISTRATIVE EXPENSES

	2017	2016
	\$	\$
Wages and salaries	217,000	315,724
Consultants fees	21,925	113,261
Compliance and legal fees	36,295	24,611
Administrative expenses	233,972	150,506
TOTAL ADMINISTRATIVE EXPENSES	<u>509,192</u>	<u>604,102</u>

4. FINANCIAL EXPENSES

	2017	2016
	\$	\$
Interest expense and other financial expenses	-	9,092
Interest expense – convertible notes	-	5,361
TOTAL FINANCIAL EXPENSES	<u>-</u>	<u>14,453</u>

5. IMPAIRMENT AND EXPLORATION CHARGES

	2017	2016
	\$	\$
Exploration charges	-	60,738
Exploration and impairment charges (a)	50,000	-
TOTAL IMPAIRMENT and EXPLORATION CHARGES	<u>50,000</u>	<u>60,738</u>

(a) This relates to an exclusivity fee paid in relation to a proposed acquisition, which was terminated during the financial year.

6. INCOME TAX BENEFIT

	2017	2016
	\$	\$
(a) Tax benefit		
Current tax benefit	-	-
Deferred tax benefit	-	-
Income tax benefit	<u>-</u>	<u>-</u>
(b) (Loss) before tax	<u>(516,972)</u>	<u>(396,158)</u>
Income tax using corporate rate of 27.5% (2016: 30%)	<u>(142,167)</u>	<u>(118,847)</u>
Increase in income tax expense due to:		
Non-deductible expenses	-	-
Overprovision from prior year	-	-
Tax losses not brought to the account	142,167	118,847
INCOME TAX BENEFIT	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. DEFERRED TAX ASSETS

	2017	2016
	\$	\$
Deferred tax assets – not recognised		
Deferred tax assets arising from tax losses calculated at 27.5% (2016: 30%):		
Tax losses	2,871,628	2,729,461
Capital losses	474,309	474,309
	3,345,937	3,203,770

8. LOSS PER SHARE

The calculation of basic loss and diluted earnings per share at 30 June 2017 was based on the loss attributable to ordinary shareholders of \$516,972 (2016: \$396,158) and the weighted average number of ordinary shares outstanding during the financial year ended 30 June 2017 of 93,355,357 (2016: 93,355,357), calculated as follows:

	2017	2016
	Cents	Cents
Basic and diluted loss per share	(0.55)	(0.42)

	2017	2016
	No of shares	No of shares
Weighted average number of ordinary shares used in calculating basic EPS:		
Fully paid ordinary shares	93,355,357	93,355,357

9. TRADE AND OTHER RECEIVABLES

	2017	2016
	\$	\$
Current		
Prepayments	5,837	5,818
Sundry debtors (a)	23,804	22,040
	29,641	27,858

(a) Included in sundry debtors are Goods and Services Tax (GST) credits owed and security deposits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. EXPLORATION AND EVALUATION EXPENDITURE

	Note	2017 \$	2016 \$
Exploration and evaluation phase costs carried forward at cost:		835,562	719,068
(a) Movements in Carrying Amounts			
Carrying amount at beginning of year		719,068	648,113
Exploration costs capitalised		116,494	70,955
Exploration costs impaired	5	-	-
Carrying amount at end of year		<u>835,562</u>	<u>719,068</u>

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

Exploration and Evaluation Phase Costs

Exploration expenditure carried forward at 30 June 2017, represents interest of 99.99 % in the Alpha (MDL 330) and interest in the newly developed Madre project 100% (2016:100%).

11. TRADE AND OTHER CREDITORS

	2017 \$	2016 \$
Current		
Trade creditors and accruals	59,671	116,676
	<u>59,671</u>	<u>116,676</u>

12. ISSUED CAPITAL

	Number of shares	2017 \$	2016 \$
Issued capital movement			
Balance at beginning of year	93,355,357	12,746,247	12,746,247
As at 30 June 2017	93,355,357	<u>12,746,247</u>	<u>12,746,247</u>

a) Ordinary shares fully paid

Ordinary shares participate in dividends and are entitled to one vote per share at shareholders meetings. In the event of winding up the Company, ordinary shareholders rank after creditors and are entitled to any proceeds of liquidation in proportion to the number of shares held.

b) Capital Management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the company can fund its operations and continue as a going concern.

The Company'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 Company's capital by assessing its 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 Company since the prior year. The gearing ratios for the year ended 30 June 2017 and 30 June 2016 are as follows:

12. ISSUED CAPITAL

	2017	2016
	\$	\$
Total liabilities	59,671	116,676
Less cash and cash equivalents	(1,828,749)	(2,521,002)
Net debt	(1,769,078)	(2,404,326)
Total equity	2,634,280	3,171,252
Total capital	865,202	766,926
Gearing ratio	0%	0%
	2017	2016
	\$	\$

c) Options issued

Options movement

Balance at the beginning of the year	31,895,299	28,795,299
Issued during the year to the former		
Convertible Noteholders	-	3,100,000
Balance at the end of the year	31,895,299	31,895,299

The issue options during the year ended 30 June 2016 are in connection with the early redemption of the Convertible Notes.

13. RESERVES

	2017	2016
	\$	\$
Options Reserve		
Balance at the beginning of the year	23,945	-
Transfer from profit and loss- current year		
options	-	23,945
Balance at the end of the year	23,945	23,945

14. FINANCIAL RISK MANAGEMENT

a) Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable from related parties. The Group does not use derivative financial instruments to hedge exposure to financial risks.

I. Treasury Risk Management

There have been no changes in the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirements.

II. Other Market Price Risk

Equity price risk arises from available-for-sale equity securities. Management monitors the securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and any buy or sell decisions are approved by the Board.

III. Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future developments of the business.

IV. Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and price risk.

Interest rate risk

The Group does not enter into interest rate swaps, forward rate agreements or interest rate options to manage cash flow risks associated with interest rates on borrowings that are floating, or to alter interest rate exposures arising from mismatches in repricing dates between assets and liabilities.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that access to adequate funding is maintained.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. There is negligible credit risk on financial asset, excluding investments, since there is no exposure to individual customers or countries and the Group's exposure is limited to the amount of cash, short-term investments and receivables which have been recognised in the statement of financial position.

Price risk

The Group is exposed to commodity price risk through its interests to the Alpha mining lease. Changes in market price for oil impact the economic viability of the mining leases. The Group has not entered into any hedges in relation to these commodities. It is not possible to quantify the effect on profit or equity of any change in commodity prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Financial Instruments

I. Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity.

30 June 2017	Effective Interest Rate 2017 %	Carrying Amount 2017 \$	Contractual Cash Flows 2017 \$	Within 1 Year 2017 \$	1 to 5 Years 2017 \$
<i>Financial Assets</i>					
Cash and cash equivalents	3.05	1,828,749	-	1,828,749	-
Held to maturity at cost financial assets	-	-	-	-	-
<i>Financial Liabilities</i>					
Trade and other payables	-	59,671	-	59,671	-
Long-term payables	-	-	-	-	-
30 June 2016					
30 June 2016	Effective Interest Rate 2016 %	Carrying Amount 2016 \$	Contractual Cash Flows 2016 \$	Within 1 Year 2016 \$	1 to 5 Years 2016 \$
<i>Financial Assets</i>					
Cash and cash equivalents	3.05	2,521,002	-	2,521,002	-
Held to maturity at cost financial assets	-	-	-	-	-
<i>Financial Liabilities</i>					
Trade and other payables	-	116,676	-	116,676	-
Long-term payables	-	-	-	-	-

II. Fair values

The methods of estimating fair value are outlined in the relevant notes to the financial statements. All financial assets and liabilities recognised in the statement of financial position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair values unless otherwise stated in the applicable notes.

15. CONTROLLED ENTITY

Name	Principal Activity	Country of Incorporation	Share Class	Ownership Interest	
				2017	2016
Unlisted Companies					
Greenvale Gold Pty Limited	Dormant	Australia	Ordinary	100.00%	100.00%
Alpha Resources Pty Ltd	Mineral exploration	Australia	Ordinary	99.99%	99.99%

16. CASH FLOW INFORMATION

	2017 \$	2016 \$
(a) Reconciliation of cash flows from operations with profit after income tax		
(Loss) after income tax	(516,972)	(396,158)
Non cash flows in operating activities:		
- Debt forgiveness	-	(54,139)
- Exploration related expenditure	50,000	60,738
Changes in assets and liabilities:		
- (Increase)/decrease in accrued charges	(15,000)	40,244
- (Increase) in trade payables	(42,006)	(831,640)
- Increase in trade and other receivables	9,615	9,462
NET CASH USED IN OPERATING ACTIVITIES	(514,363)	(1,171,493)
(b) Reconciliation of cash and cash equivalents		
Cash at bank	1,828,749	2,521,002
	1,828,749	2,521,002

17. KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2017.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	2017 \$	2016 \$
The key management personnel compensation is as follows:		
Short-term employee benefits	262,913	323,771
Other long term benefits	-	-
Share-based payments	-	-
	262,913	323,771

Information regarding individual directors' compensation is provided in the remuneration report section of the directors' report. Apart from the details disclosed in this note, no director has entered into a material contract with the Company during the year and there were no material contracts involving directors' interests existing at year end.

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive chair and non-executive directors as well as fees, fringe benefits and cash bonuses awarded to the executive director and other KMP.

Post-employment benefits

These amounts are the current years' estimated cost of providing for the Group's superannuation contributions made during the year.

Further information in relation to KMP remuneration can be found in the directors' report.

18. RELATED PARTY AND KEY MANAGEMENT PERSONNEL TRANSACTIONS

The terms and conditions of related party and key management personnel transactions are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis. Transactions with related parties and key management personnel are summarised in the table below:

Key management person	Transaction Description	Transaction Value		Balance outstanding	
		Year ended 30 June		As at 30 June	
		2017	2016	2017	2016
		\$	\$	\$	\$
Winton Willesee – Azalea Consulting Pty Ltd	Provision of registered, miscellaneous and front office services.	-	85,730	-	-
Vincent John Fayad – Vince Fayad & Associates Pty Ltd and PKF Corporate Finance (NSW) Pty Ltd	Provision of services related to various corporate matters.	93,912	20,625	7,562	-
Elias Khouri - Mining Investments Limited	Provision of temporary loan via an associated entity, Carkaho Holdings Pty Limited to enable the refinancing of the Convertible Noteholders	-	220,000	-	-
Stephen Baird (former Director) - HICOG Group Ltd	Provision of temporary loan to enable the refinancing of the Convertible Noteholders Provision UK Office	-	100,000	-	-

19. CONTINGENT LIABILITIES

There have been no material changes in contingent liabilities since the last reporting date.

20. COMMITMENTS FOR EXPENDITURE

Mineral Tenements

In order to maintain the mineral tenements in which the company and other parties are involved, the company is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. The minimum estimated expenditure requirements in accordance with the requirements of the Queensland Department of Natural Resources and Mines for the next financial year are:

	Consolidated	
	2017	2016
	\$	\$
Payable:		
-no later than 1 year	70,000	70,000
- between 1 year and 5 years	2,090,000	2,090,000
	<u>2,160,000</u>	<u>2,160,000</u>

These requirements are expected to be fulfilled in the normal course of operations and may be varied from time to time subject to approval by the grantor of titles. The estimated expenditure represents potential expenditure which may be avoided by relinquishment of tenure. Exploration expenditure commitments beyond twelve months cannot be reliably determined.

21. AUDITORS' REMUNERATION

	2017	2016
	\$	\$
Auditing and reviewing financial reports	31,000	31,800
Non-audit services – tax compliance	-	14,050
Non-audit services – valuation for stamp duty purposes	-	11,047
	<u>31,000</u>	<u>56,897</u>

The auditor of the financial statements is RSM Australia Partners.

22. SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the phase of operation within the mining industry. For management purposes, the Group has organised its operations into two reportable segments on the basis of stage of development as follows:

- development assets; and
- exploration and evaluation assets, which includes assets that are associated with the determination and assessment of the existence of commercial economic reserves.

SEGMENT REPORTING (CONT'D)

The Board as a whole regularly reviews the identified segments in order to allocate resources to the segment and to assess its performance.

During the year ended 30 June 2017, the consolidated entity had no development assets. The Board considers that it has only operated in one segment, being mineral exploration within Australia.

The consolidated entity is domiciled in Australia. There was nil revenue from external customers in 2017 (2016: Nil). Segment revenues are allocated based on the country in which the customer is located.

23. SHARE BASED PAYMENTS

2017

No share based payments were made during the period.

2016

No share based payments were made during the period.

24. PARENT ENTITY DISCLOSURE

	2017	2016
	\$	\$
Current assets	1,839,868	2,548,314
Non-current assets	701,594	917,775
TOTAL ASSETS	2,541,462	3,466,089
Current liabilities	(59,670)	(103,442)
TOTAL LIABILITIES	(59,670)	(103,442)
NET ASSETS	2,481,792	3,362,647
EQUITY		
Issued capital	12,746,247	12,746,247
Reserves	23,945	23,945
Accumulated losses	(10,288,400)	(9,407,545)
TOTAL EQUITY	2,481,792	3,362,647
STATEMENT OF COMPREHENSIVE INCOME		
Total Loss for the year	(659,888)	(411,794)
Total Comprehensive loss for the year	(659,888)	(411,794)

Greenvale Energy Limited does not as at 30 June 2017:

- have hold any deed of cross guarantee for the debts of its subsidiary company (2016: Nil);
- have commitments for the acquisition of property, plant and equipment (2016: Nil); and
- have contingent liabilities (2016: Nil).

25. SUBSEQUENT EVENTS

There were no items of a significant nature that occurred subsequent to balance date.

DIRECTORS' DECLARATION

The directors of the Company declare that:

- a) the financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
 - i. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards; and
 - ii. give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Group;
- b) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- c) the directors have been given the declarations required by s 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors:

A handwritten signature in black ink, appearing to read 'Elias Khouri', with a long horizontal flourish extending to the right.

Elias Khouri
Director

Sydney, 21st September 2017

INDEPENDENT AUDITOR'S REPORT To the Members of Greenvale Energy Limited

Opinion

We have audited the financial report of Greenvale Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
<p><i>Carrying value of capitalised exploration and evaluation</i></p> <p>Refer to Note 10 in the financial statements</p>	
<p>As disclosed in note 10, the Group held capitalised exploration and evaluation expenditure of \$835,562 as at 30 June 2017 which represents a significant asset of the Group.</p> <p>The carrying value of exploration and evaluation assets is subjective based on Group's ability, and intention, to continue to explore the asset. The carrying value may also be impacted if the mineral reserves and resources are commercially viable for extraction, or where the carrying value of the asset is not likely to be recouped through sale or successful development. This creates a risk that the amounts stated in the financial statements may not be recoverable.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Ensuring that the Group had the right to explore in the relevant exploration area, which included obtaining and assessing independent searches of the company's tenement holdings • assessing the Group's intention to carry out significant exploration and evaluation activity in the relevant exploration area, which included an assessment of the Group's future cash flow forecasts, and enquiry of management and the Board of Directors as to the intentions and strategy of the Group • assessing the results of recent exploration activity in the Group's areas of interest, to determine if there are any negative indicators that would suggest a potential impairment of the capitalised exploration and evaluation expenditure • assessing the ability to finance any planned future exploration and evaluation activity.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 29 to 31 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Greenvale Energy Limited for the year ended 30 June 2017, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in blue ink, appearing to read 'C J Hume', is written over a light blue circular stamp.

C J Hume

RSM Australia Partners

Sydney NSW
21 September 2017

TENEMENT SCHEDULE

Tenement	Interest
Alpha (MDL 330)	99.99%
Madre North (EPM25796) Application.	100%
Madre South (EPM 25792)	100%

Additional information included in accordance with the Listing Rules of the Australian Securities Exchange Limited. The information is current as at 8 September 2017.

1. QUOTATION

Listed securities in Greenvale Energy NL are quoted on the Australian Securities Exchange under ASX code GRV (Fully Paid Ordinary Shares).

2. VOTING RIGHTS

The voting rights attaching to the Fully Paid Ordinary Shares of the Company are:

- (a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
- (b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options on issue.

3. DISTRIBUTION OF SHARE AND OPTION HOLDERS

The voting rights attached to the Fully Paid Ordinary shares of the Company are:

i) Fully Paid Ordinary Shares

Shares Range	Holders	Units	%
1 to 1,000	148	63,444	31.36
1,001 to 5,000	80	193,807	16.95
5,001 to 10,000	42	367,959	8.90
10,001 to 100,000	136	5,746,689	28.81
100,001 and Over	66	86,983,458	13.98
Total	472	93,355,357	100.00

ii) Unlisted Options exercisable at \$0.10 on or before 31 August 2018

Holders	Units	%
Kemoc Pty Ltd ATF CA & GM Laughton Superannuation Fund	14,368	0.05
Silverinch Pty Limited ATF The Silverinch S/F	462,409	1.61
Joseph Obeid ATF Joseph Obeid Super Fund	462,409	1.61
Kafta Enterprises Pty Ltd ATF Fayad Settlement	1,156,057	4.01
Sek Investments Limited	1,618,465	5.62
Dartington Portfolio Nominees	1,784,000	6.20
Qsupa Pty Ltd	4,624,186	16.06
Pitt Street Absolute Return Fund Pty Ltd	4,624,186	16.06
Mining Investments Limited	6,881,720	23.90
Seadragon Offshore Limited	7,167,489	24.89
Total	28,795,299	100.00

iii) **Unlisted Options exercisable at \$0.08 on or before 31 August 2018**

Holders	Units	%
Charles Dixey	100,000	3.23
Kemoc Pty Ltd ATF CA & GM Laughton Superannuation Fund	200,000	6.45
Graham Brown	300,000	9.68
Stanley George West	400,000	12.90
Jane Beyts	500,000	16.13
George Beyts	500,000	16.13
Timothy Beck Brown	500,000	16.13
Graham Brown	600,000	19.35
Total	3,100,000	100.00

4. SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed on the Company's register as at 8 September 2017.

Mining Investments Limited
PO Box 87, Byblos, Lebanon
Holder of: 20,601,994 fully paid shares
Notice received: 30 September 2014

OB Capital Limited
Registered address if Suite 202, 2nd Floor Eden Plaza, Eden Island, Mahe, Seychelles
Holder of: 9,242,180 fully paid shares
Notice received: 7 March 2016

Allied Resources Holdings Limited,
Registered address is Suite 202, 2nd Floor Eden Plaza, Eden Island, Mahe, Seychelles
Holder of: 9,242,180 fully paid shares

Notice received: 7 March 2016

5. TWENTY LARGEST SHAREHOLDERS

The twenty largest shareholders as at 8 September 2017:

	Name	Number of Shares	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,953,115	22.44
2	MINING INVESTMENTS LIMITED	20,601,994	22.07
3	FOURWINDS NOMINEES PTY LIMITED	6,071,625	6.50
4	BNP PARIBAS NOMINEES PTY LTD	2,701,970	2.89
5	MONEYBUNG PTY LTD	2,317,500	2.48
6	PITT STREET ABSOLUTE RETURN FUND PTY LIMITED	2,100,000	2.25
7	MR STEVEN GARY HIRST	1,837,625	1.97
8	BOSS RESOURCES LIMITED	1,755,820	1.88
9	BNP PARIBAS NOMINEES PTY LTD	1,618,465	1.73
10	1 PLUS 4 PTY LTD	1,600,000	1.71
11	PERSHING AUSTRALIA NOMINEES	1,511,750	1.62
12	SEADRAGON OFFSHORE LIMITED	1,500,823	1.61
13	TRAYBURN PTY LTD	1,262,755	1.35
14	Q SUPA PTY LTD	1,250,000	1.34
15	KAFTA ENTERPRISES PTY LTD	1,075,269	1.15
16	FIRST INVESTMENT PARTNERS PTY LTD	1,000,000	1.07
17	MR WILLIAM MAY	954,037	1.02
18	SANPEREZ PTY LTD	951,359	1.02
19	STONE COLD INDUSTRIES PTY LTD	944,003	1.01
20	CITICORP NOMINEES PTY LIMITED	935,742	1.00
	TOTAL	72,943,852	78.14