

Greenvale Energy Limited

Quarterly Activities Report December 2018

ASX Release

24 January 2019

Highlights

- SRK continue to review radio frequency microwave simulations and re-assessing production levels
- Relinquishment of EPM licences so as to allow the Company focus on the main licence
- Advancement of the Gold Basin investment. The transaction remains subject to agreement on the final terms of the initial level of ownership – that is, 100% or 50.1% and in-principle agreement has been received to a “Last Right of Refusal” over the remaining 49.9%. The transaction is expected to be finalised in the coming weeks

Greenvale Energy Limited (ASX: GRV) is pleased to provide the following update on its activities for the 31 December 2018 quarter (the “Quarter”):

Alpha Project

Overview

The Alpha Oil Shale Project (the “Project”), is located approximately 50 km south of the town of Alpha, Queensland. A thin lens shaped torbanite deposit is contained within the lower part of a coal seam in the Late Permian Colinlea Sandstone of the Galilee Basin. Torbanite from the Project is composed of alginite, vitrinite, inertinite, sporinite (derived from spores and pollen) and trace cutinite (cuticles), resinite (resins, fats, waxes) clay-sized mineral matter and pyrite.

Table 1: Summary of Tenement Ownership and status

Tenement	Percentage ownership	Status
MDL 330	99.99%	Current to 1 February 2022
Madre North EPM 25795	-	Relinquished during the September 2018 quarter
Madre North EPM 25792	-	Relinquished during the September 2018 quarter

Activities

On 31 December 2018 (**Market Update**), the Company issued a market update outlining its progress of work undertaken by SRK Australia.

The key points arising from the Market Update were:

- SRK continues to review Radio Frequency Microwave Simulations on the Project, which may mitigate the need to mine the shale rock;
- SRK are re-assessing the Resource on the Project with a view to determining the annual and total production levels that can potentially be achieved from the Resource; and
- SRK planning for the wells paths and determine the recoverable oil Resources.

Further details will be provided as they come through.

Relinquishment of EPM's

The Company also announced the relinquishment of Madre North, EPM 25795 and EPM 25792. This will allow the Company to focus its resources on MDL 330, which is considered to be the most economical asset.

Strategic acquisitions and diversification strategy – Gold Basin

As set out in the Market Update, the Company has advanced in the due diligence and definitive legal agreements in relation to the Gold Basin project and the main outstanding issue remains agreement between the parties on the acquisition of 49.0% interest. It was previously announced Heads of Agreement noted that the Company had an option to acquire all of the 100% shareholding. However, subsequent negotiations have resulted in “in-principle” agreement for a “Last Right of Refusal”, instead of an option to acquire such an interest.

The Directors remain confident that the transaction will be finalised in the coming weeks.

Funding

The Board continues to consider its funding options and further details will be made available assuming completion of the proposed gold project in Arizona.

Contact details

For further information, please contact:

Vince Fayad

Director and Company Secretary

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

GREENVALE ENERGY LIMITED

ABN

54 000 743 555

Quarter ended ("current quarter")

December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(75)	(154)
(b) development		
(c) production		
(d) staff costs	(15)	(63)
(e) administration and corporate costs	(79)	(90)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	7
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(167)	(300)

2. Cash flows from investing activities

- 2.1 Payments to acquire:
- (a) property, plant and equipment
 - (b) tenements (see item 10)
 - (c) investments
 - (d) other non-current assets

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities		

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities		

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,228	1,361
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(167)	(300)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	1,061	1,061

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	25	194
5.2 Call deposits	1,036	1,034
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,061	1,228

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	15
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments made during the quarter were in relation to directors' fees.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	15
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Payments made during the quarter were in relation to the provision of accounting and taxation services provided by a related party of the Company Secretary.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

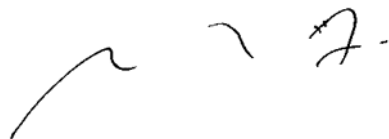
9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	12
9.2 Development	-
9.3 Production	-
9.4 Staff costs	43
9.5 Administration and corporate costs	37
9.6 Other (Investment in the Gold Basin project)	550
9.7 Total estimated cash outflows	592

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Signed



Date: 24 January 2019

Vince Fayad (Director and Company Secretary)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.