

# Greenvale Energy Limited

## Quarterly Activities Report June 2019

ASX Release

30 July 2019

---

### Highlights

- *Gold Basin* - Results from drilling show major structures provide a very good opportunity for the discovery of shallow gold over considerable widths where these structures intersect the sub horizontal detachment faults.
- *Alpha* - SRK expects to complete sufficient work to enable a Contingent Resource estimation based on insitu production characteristics once the results from a recent a field survey to sample torbanite for the purpose on detailed analysis to understand the insitu production characteristics.

**Greenvale Energy Limited (ASX: GRV or the Company)** is pleased to provide the following update on its activities for the 30 June 2019 quarter (the “Quarter”):

### Gold Basin Project

The Company announced on the 18<sup>th</sup> February 2019 the completion of its 50.01% investment in a private company called Greenvale Gold Basin Pty Ltd. Greenvale Gold Basin Pty Ltd has a right to earn-in 50.1% in a new company who is to own 100% of the Gold Basin Project (located in the state of Arizona, United States of America), after completing a drilling program and delivering a JORC Resource estimate. Full particulars of the acquisition, including terms and structure is set out in the announcement dated 18 February 2019.

As previously announced, the Company has completed its 8,000 feet reverse circulation (**RC**) drilling program with samples being sent to ALS Global Reno. On 17 June 2019, the Company announced details of its preliminary results. The results have shown that the major structures provide a very good opportunity for the discovery of shallow gold over considerable widths where these structures intersect the sub horizontal detachment faults. The key highlights include:

- 12.2m @ 1.47 g/t gold from 12.2m in hole CNW-16-6
- 29m @ 0.57 g/t gold from 16.8m in hole CNW-16-6A (including 9m @ 1.05 g/t Au from 16.8m)
- 19.8 m @ 0.90 g/t gold from 10.7m in hole CNW-16-7 (Incl. 6.1m @ 1.62 g/t gold from 22.9m)
- 13.7m @ 0.88 g/t gold from 27.4m in hole CNW-16-31
- 44.2m @ 0.30 g/t gold from CNW 16-32

Full details of the above including drill hole results, “Table 1” and the Competent Person statement, are set out in the announcement dated 17 June 2019.

### Alpha Project

SRK Consulting (Australasia) Pty Ltd (SRK) is currently assessing the applicability of in situ radio frequency (RF) microwave stimulation to produce oil from the lower seam comprising cannel coal and the Alpha torbanite. The suitability of the RF stimulation to produce hydrocarbons from the torbanite has been previously assessed. However, the applicability of RF extraction from the cannel coal has not at this stage been established.

During the quarter, SRK undertook a field visit to the site located about 50 km south of Alpha, Queensland, to sample torbanite for test analyses during the last quarter. The location access is via Port Wine Road to Mt Surprise.

SRK has completed initial sampling of torbanite and cannel coal to help confirm the insitu production characteristics and production potential of microwave digestion and understand how the production will compare to Fischer assays and historical measured oil recoveries. This work should enable estimation of Contingent Resources and implementation of the forward plan.

The forward requirements for the Alpha Project are listed as follows.

- assessment of local environmental issues;
- testing samples to establish microwave oil yields;
- pilot testing for oil yield and preferred well path orientations;
- final microwave stimulation layout ; and
- planning for production infrastructure and site logistics.

### **Funding**

The Company is preparing for a capital raising process. Full details are expected to occur over prior the end of the next quarter.

### **Contact details**

For further information, please contact:

#### **Vince Fayad**

Director and Company Secretary

Ph: 0414 752 804

E: [vince.fayad@vfassociates.com.au](mailto:vince.fayad@vfassociates.com.au)

The information in this report as it relates to Mineral Resources and Exploration Targets for the Governor Broome

The information in this announcement that relates to Exploration Results for the Gold Basin Property is based on information compiled by Charles Straw, a Director of Centric Minerals Management Pty Ltd. Mr Straw is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Straw consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement is based on and fairly represents information and supporting documentation prepared by Dr Bruce McConachie. Dr McConachie is a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy, the Society of Petroleum Engineers and the American Association of Petroleum Geologists. Dr McConachie consents to the inclusion in this annual report of the matters based on his information in the form and context in which it appears.

## 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")**

June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(324)	(703)
(b) development		
(c) production		
(d) staff costs	-	(86)
(e) administration and corporate costs	(27)	(157)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	12
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)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(350)</b>	<b>(934)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments	(78)	(78)
(d) other non-current assets		

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)	-	11
(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)		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(78)</b>	<b>(67)</b>

<b>3. Cash flows from financing activities</b>		
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)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	788	1,361
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(350)	(934)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(78)	(67)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>360</b>	<b>360</b>

5. <b>Reconciliation of cash and cash equivalents</b> 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	360	588
5.2 Call deposits	-	200
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>360</b>	<b>788</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
-
-

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
22
-

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

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

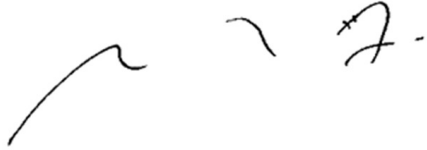
N/A

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	191
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	91
9.6 Other (Investment in the Gold Basin project)	-
<b>9.7 Total estimated cash outflows</b>	<b>282</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
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.



Date: 30 July 2019

Print name: 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.