

# Greenvale Energy Limited

## Quarterly Activities Report September 2019

ASX Release

21 October 2019

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### Highlights

- Continued work on maiden resource estimate for Gold Basin with results expected to be announced imminently.
  - Company has lodged an application to vary its FY 2020 expenditure commitments with SRK Consulting assisting with preparing the supporting documentation for its Alpha oil shale Project. The Queensland Department of Natural Resources, Mines and Energy (**DNRME**) has provided its initial response on the Company's initial position based on the continued moratorium of gasification projects which includes in-situ oil shale production. DNRME has requested for alternative options and/or withdrawal of the application. GRV are currently preparing a counter response.
  - Company to proceed with rights issue capital raising next quarter.
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**Greenvale Energy Limited (ASX: GRV or the Company)** is pleased to provide the following update on its activities for the 30 September 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, after completing a drilling program and delivering a JORC Resource estimate.

The Gold Basin Project is located in the state of Arizona, United States of America. Full particulars of the acquisition, including terms and structure is set out in the announcement dated 18 February 2019.

During the quarter, the Company continued work on the maiden JORC 2012 Resource report. An update of the work being done has been outlined in the Company's announcement dated 13 September 2019. The intended resource will model recent and historical drilling results for the Cyclopic and Stealth deposits.

The full results from the maiden resource are expected to be announced imminently.

### Alpha Project

During the quarter, no activity was undertaken by the Company in relation to its 99.9% owned Alpha Resources project.

As outlined in its annual report for the year ended 30 June 2019, the Company made application on 16 September 2019 to the Queensland Department of Natural Resources, Mines and Energy (**DNRME**) to vary the condition of its MDL 330 licence for the current year expenditure commitments.

The basis of the variation is pending the receipt of its laboratory tests to assess its next phase of work on its tenements currently being undertaken by Australian Laboratory Services Pty Ltd (**ALS Laboratories**), Brisbane. These results and subsequent analysis will be important to determine Greenvale's next phase of work to be undertaken on the Alpha Resources Project.

The DNRME has recently provided its initial response noting that the work program prepared with the support of its technical consultant, SRK Consulting (Australasia) Pty Ltd (**SRK**) involves the use of in situ extraction as a processing option for the oil shale at the Alpha oil shale deposit and as such has declined the Company's request. The DNRME has asked the Company to either revise its proposal or withdraw the application.

The basis of DNRME position is the continued moratorium imposed by the Queensland Government on in-situ oil shale processing. The Company is in the process of responding to the DNRME position, including of consideration of alternative options for the next phase of development. The Company has until 5 November 2019 to respond. Further updates will be provided as and when they come to hand.

### **Funding**

The Company will proceed to a rights issue capital raising in the December 2019 quarter to enable it to further its objectives for the Gold Basin and Alpha Resources project.

### **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")**

September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(108)	(108)
(b) development		
(c) production		
(d) staff costs	(9)	(9)
(e) administration and corporate costs	(112)	(112)
1.3 Dividends received (see note 3)		
1.4 Interest received		
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>(229)</b>	<b>(229)</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		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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)		
<b>2.6 Net cash from / (used in) investing activities</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	(12)	(12)
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>(12)</b>	<b>(12)</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	358	358
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(229)	(229)
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)	(12)	(12)
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>117</b>	<b>117</b>

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>

<b>5. 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	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	117	117
5.2 Call deposits	-	-
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>117</b>	<b>117</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

<b>Current quarter \$A'000</b>
9
-

**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

<b>Current quarter \$A'000</b>
37
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Payments made during the quarter were in relation to the provision of corporate secretarial, 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	20
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	70
9.6 Other (Investment in the Gold Basin project)	-
<b>9.7 Total estimated cash outflows</b>	<b>90</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.

Sign here:



Date: 21 October 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.